New Ore Area For Preston (p. 22)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

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The Nation's Business

WPTB Paves Way For Lower Costs

The Donald Gordon address to the Canadian Club at Toronto Monday was the first major government statement on reconversion policy. Because of its importance most of that statement is published in this issue of The Financial Post.

For many businesses the most important point in the Gordon pronouncement is that relating to pricing of goods which have not been produced during the war years.

Here the Canadian policy is completely different to the American policy, and, we think, with very good reason.

The U. S. policy for items like autos, radios, refrigerators, etc., which have been out of production is that OPA will set a price when production is resumed. That price will be determined by an undisclosed formula which takes into account increases in labor and material costs. For such goods, therefore, the U. S. abandons the base price policy; proposes to hoist prices on to an entirely new level.

Canada is going to stick to base period prices. When the "reconversion price squeeze" on producers is unusually severe, such cases will be considered, but Mr. Gordon said: "It is important to deal with exceptions as exceptions and not allow the exceptions to develop into a policy."

Mr. Gordon told why Canada is sticking to the base price policy; why the whole wartime policy of not recognizing higher cost as justification for higher price is to be continued. Referring to the kind of policy which, it appears, the U. S. is going to adopt, Mr. Gordon said:

> "This is really a cost-plus system and would be of most immediate benefit to the war production industries planning to return to civilian production. This approach has a superficial attraction, but when you look at it more closely you can see that it is riddled with dangers, difficulties, and discriminations. It means leaving the basic period principle of price control for a new principle which recognizes cost increases, however temporary, as a basis for price advances. Every time a price is raised **somebody's** costs go up and that, in turn, is reason for further price increases. So goes the inflationary spiral. Such a procedure could easily lead to widespread and substantial price increases to the detriment of the consumer and, also, to that of business and labor. The Prices Board could not take a 'tough' attitude on items which are important in the cost of living and an 'easy' attitude on items which are not. That would be gross discrimination as between one producer and another, and would not be tolerated for long. If the Board were to accept a cost-plus system and still try to keep down the prices of cost of living items, it would have no logical alternative but to subsidize producers of cost of living items for increases in costs."

Mr. Gordon went on to point out that the "reconversion price squeeze" will be less severe than often supposed, that the base period for pricing is a time (1941) when conditions "were far from depressed," that real labor costs will tend to fall as labor turnover declines, as more skilled and responsible workers return from the armed services, as absenteeism and overtime decline. Material costs will also tend to decline as sources of supply reopen; as shipping costs decline. He added:

> "As well, there ought to be scope for a general improvement in managerial and operational efficiency with the elimination of wasteful or inefficient practices, which almost inevitably creep in under the urgent demands for speed in wartime. More careful buying of supplies, the ability to obtain improved materials and to replace wartime substitutes, together with the restoration of normal and cheaper sources of supply, should all work to reduce costs. And, finally, there has, undoubtedly, been a marked advance in industrial techniques and organization under wartime experience which should result in lower unit costs."

Unfortunately, the implications of the U. S. policy for Canada are unpleasant. In some cases because Canadian industry is so dependent on many American imports, it points pretty directly to more subsidies. As for them, Mr. Gordon said:

> "The concern of the Board is to keep subsidies to a minimum and to get rid of them when possible—not to add to them."

It may be of course that the American policy will stiffen sharply and realistically as soon as the elections are over.

Be that as it may, the WPTB policy seems to be the only one likely to protect our whole economy from great hazards; to make it worth our while to have undertaken this vast effort in stabilization.

• • • •

ARTIFICIALLY HIGH PRICES DANGEROUS

H. H. Hannam, president and managing director of the Canadian Federation of Agriculture has issued a statement to the press in which he takes exception to a recent editorial in The Financial Post commenting on the new floor price legislation. Mr. Hannam says he does not understand our point of view, particularly when we stated:

> "Instead of worrying about keeping future farm and other prices jacked up to some artificial level, it would be far better if we concentrated on keeping costs down so that in natural lines of production Canadian goods can meet world competition."

Mr. Hannam intimates that The Post is suggesting that only in natural products should prices be kept low. Does The Post, he asks, "believe that producers of primary products should keep their prices down to meet world competition and that producers of secondary products, for example, manufacturers, must not be expected to meet competition?"

Mr. Hannam surely fails to understand what is meant by "natural lines of production." "Natural lines of production" not only includes primary products, but also any product that can be grown, processed or manufactured as economically in Canada as in most parts of the world, something that will not require excessive protection or a selling price far higher than the same product if imported.

In surplus lines of production, where an export market is imperative (and this applies to manufacturing as well as agriculture) our costs must be kept down to low levels if we hope to sell those surpluses on world markets.

• • • •

INVESTING IN A BETTER CANADA

The $5.4 millions which 21 community chests will ask of their townsfolk this month is a sound and essential investment in good citizenship.

Over a long period of years the Chest has proved itself an efficient and effective instrument for making sure that social service agencies within each community have the means to carry on their work.

One fact alone proves the point: over-all cost of administering Chests in Canada is about 6 cents on the dollar. This covers the cost of financial campaigns, year-round administrative costs, collection of pledges, etc. Campaign costs under Chest management have dropped as low as 2%. Comparable figures for individual money-raising and spending effort by local agencies not associated with Chests often run as high as 15% to 45%.

War has brought a whole new set of social problems which well-staffed and well-supported social agencies are specially fitted to handle. The strain on home relationships of war enlistment and wartime employment; the increase in illegitimacy; separation of men from their families and of working mothers from their children—these are typical of the challenge and opportunity.

Support for community chest campaigns is a first-class investment in good citizenship. It is an investment that is more than ever needed as we face the difficult readjustments of the reconversion period which lies ahead.

Key Policy Is Problem For UNRRA

Future of Combined Boards, Relief Distribution, Before Sept. Meeting at Montreal

By STAFF WRITER

OTTAWA.—With Canada's L. B. Pearson expected to take a major part in the proceedings, the opposition event which UNRRA is putting on this week at Montreal against the headline attraction at Quebec is nevertheless likely to bring up, even if it does not solve, a number of highly important problems affecting United Nation relationships.

One of the most important from Canada's point of view is discussion of the future relationships of the Combined Boards.

For more than two years the disposition of shipping, foods, raw materials and the sinews of war, have been allocated to the four corners of the earth according to the exigencies of war as seen through the eyes of representatives of the United States, United Kingdom and to some extent Canada.

Canada is the only United Nation to have any direct membership on these boards, apart from U. S. and U. K. Our membership extends to only two of these boards—the Combined Production and Resources Board and the Combined Food Board. The other two—Combined Raw Materials and Combined Shipping Adjustment — are purely a U. K.-U. S. affair.

UNRRA Raises New Issues

Now comes the first working United Nations postwar mechanism—UNRRA by name—to challenge that authority and enquire whether or not the time has come to widen their scope and authority so that others in the 44-nation orbit may have a chance to say "Yes" or "No" when supplies and services and materials are being allocated for war or "transition" use.

To Great Britain, badly hampered in productive and other resources

(Continued on page 2, col. 6)

Aircraft Output Peak Is Passed

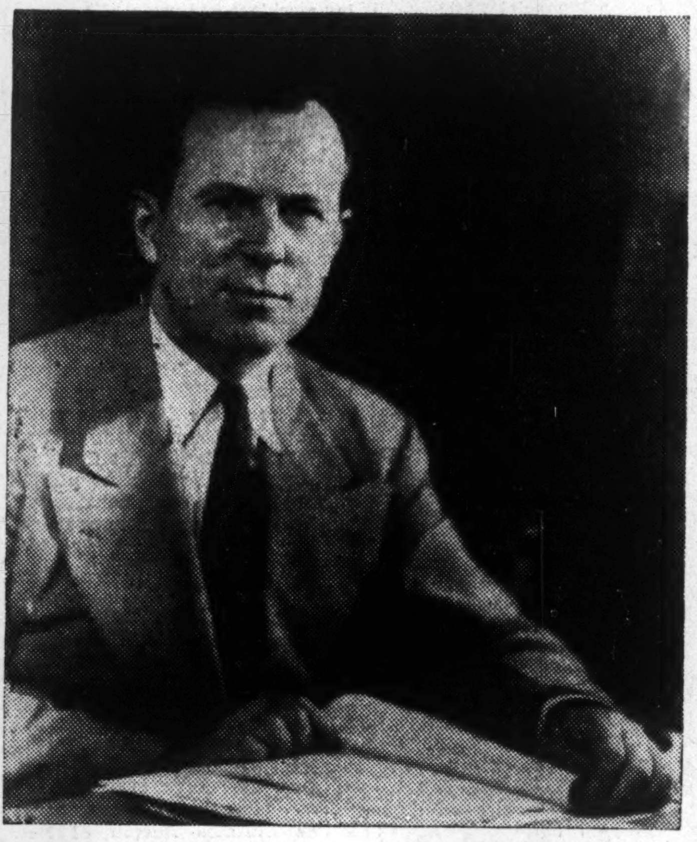
By STAFF WRITER

OTTAWA. — Resignation of Ralph P. Bell and disappearance of the aircraft production branch of DMS is recognition of two things: (a) Ralph Bell's long-expressed desire to get back to civilian life, (b) the fact that most of the "hump" on aircraft production has been surmounted.

Trainer plane production is already tapering off materially and the end of the European war will probably find only two major programs ahead—Mosquitoes and Lancasters.

There has been no decision yet as to whether Canada will be expected to go ahead with the Curtiss Helldiver program after V-day in Europe.

Management of aircraft production is being shifted to Federal Aircraft, Montreal, and supply matters turned over to the general purchasing branch of DMS.



UNRRA REPRESENTATIVE

As the United Nations Relief and Rehabilitation Administration Council begins its sessions in Montreal this week, "Mike" (Lester Bowles) Pearson will (a) represent Canada, (b) act as chairman of the all-important Supplies Committee, (c) take whatever new responsibilities the Council imposes on him, which, according to rumor, would put him still closer to the top in UNRRA control. As an External Affairs Department career man and counsellor at Canada's Washington Legation, "Mike" has steadily added to the prestige he first established as a rugby player and coach at the University of Toronto in the 1920's.

Neth. Ship Order Lost As Europe Yards Freed

By STAFF WRITER

OTTAWA.—The deal whereby Canada was to have made 30 ships of 450-ton capacity for the Netherlands Government has fallen through, The Financial Post is informed.

Reasons given for the deal having been called off are said to be partly price and partly the prospect that the Netherlands may shortly be able to build ships in its own yards and harbors.

The Canadian price, it is understood, was considerably lower than the price at which these ships could have been made in the United States, but was still considered high in relation to European costs and prices.

Furthermore, the rapid advance of the combined armies in Europe within recent days and weeks has greatly changed the picture so far as the Netherlands Government is concerned.

Victories Main Factor

Had it been that there was little prospect of these ships being built in Europe until, say, next summer, then there would have been compelling reasons (despite the Canadian price) for having them done on this continent. But the early prospect of giving employment to Dutch workmen and artisans and of being able to use the less expensive facilities available in that country made it impossible to continue negotiations in Canada.

Had these ships been built in Canada they would have given considerable employment to Canadian yards within the Great Lakes system. Being small vessels it had been expected that they would be built entirely in the smaller boatyards which have been developed during recent war years.

Don't Fear Cancellations

It is expected that even if the European war were to end suddenly, most of the present contracts for Canadian-built ships would be continued until the present program is completed. There would be no new orders, presumably except perhaps for some coastal vessels, but it is not expected that there would be many cancellations.

Canada's frigate program is due to be completed very largely by the end of the present year in any event. This, it is expected, would continue without change. Most of our corvettes would be completed, it is thought. There would also be a continuing demand for minesweepers and for completion of the merchant ships now building.

The only postwar job of importance in eastern Canadian yards is an order for four 4,500-ton ships for the Brazilian Government now getting under way.

Cancar Bill On Germans Is Held Up

But Hopes to Get $8 Millions Balance of "Black Tom" Award After U. S. Elections

From Our Own Correspondent

MONTREAL — Although every effort is being made by Canadian Car & Foundry Co. to wind up quickly the long-deferred final settlement on the award for loss of the company's U. S. plant in the last war, there is a possibility the matter will continue to hang fire until after the U. S. elections in November.

Canadian Car, after prolonged litigation, obtained an award for sabotage loss of its Kingsland, N.J., plant in World War I, and in Jan. 1941, obtained a payment of $6,441,876. After tax adjustment, net amount received was $4,026,914. In 1942 a further amount of $151,484 was received. Balance still owing is approximately $8 millions, before taxes, but the amount received in 1941-42 exhausted the supply of German funds available in U. S. at that time for meeting the judgment.

Since then the U. S. Government, in the present war, has seized important German-held assets, and Canadian Car has been pressing its claim to obtain the amount still owing under the award.

Complications Develop

Complications have developed in connection with demands on money obtained from sale of assets formerly held by Germans, to meet needs and claims in the present war. These factors have tended to delay U. S. Congressional action to alter the Settlement of War Claims Act —a step necessary before Canadian Car can get the $8 millions still owing.

In addition, administrative circles have been very busy with war work coincident with approach of another election campaign.

The whole situation has been rendered somewhat delicate, but Canadian Car officials have persisted in their contentions on the justice of their claims, and the obligation for early action to settle an award, which was duly granted by the German-American Mixed Claims Commission some years ago.

Production at High Level

L. A. Peto, who was largely instrumental in getting through the original award, resigned several months ago from his duties as vice-president and general manager of Canadian Car, and since has been giving his full time, as vice-president of the N. Y. agency of the company, to final winding up of the now historic claim.

Manufacturing operations of Canadian Car continue active. More railway equipment—normally the company's main work—is being built this year than in earlier years of the war, and the company is thus getting into stride for postwar concentration on such production.

The Fort William plant, converted some years ago to manufacture of airplanes, is now building Curtiss dive bombers, with part of a 1,030-plane order already completed.

Trouble for Canada In U.S. Pricing Plan

Byrnes Report Urging Higher Price Levels Than in 1941 for Goods Out of Production May Toss Monkey Wrench Into New WPTB Policy

By KENNETH R. WILSON

OTTAWA—Even before Donald Gordon had delivered his important reconversion speech in Toronto this week, one of the big and difficult "bugs" in the new policy had already reared its head.

What Mr. Gordon told his Toronto audience was that the over-all 1941 price ceiling would remain, and that there would be no "selective" control of prices in Canada during the reconversion period. Durable goods like automobiles, radios, refrigerators, etc. which had been out of production for two or three years, he said, must be priced at 1941 levels when they come back into manufacture.

Different View in U. S.

Almost simultaneously, at Washington, James F. Byrnes, U. S. Director of War Mobilization, released his report to President Roosevelt on reconversion and admitted that "articles not now produced, such as automobiles, radios, refrigerators, may have to be priced somewhere above the prices prevailing in 1941 when civilian production of these articles was stopped."

Mr. Byrnes did not disclose the exact formula which is to be applied in this new "selective" ceiling policy, but he said:

> "It should be feasible for OPA to establish a general ceiling for articles out of civilian production for some time at a fixed percentage above the prices charged for such articles before civilian production ceased. This percentage can be quickly computed on the basis of increased material, labor and other costs. . . ."

Canada Wants Prices Held

What is obvious, of course, about this new U. S. policy is that it takes the very line which WPTB officials are determined to avoid — namely the establishment of a new and higher level of prices for civilian goods which have been out of production for some years.

Said Donald Gordon on this point:

"It seems clear that a genuine endeavor to prevent prices from rising in the early stages of transition will greatly improve our chances of building a large volume of peacetime production, both for the domestic market and for export markets. Volume production and competitive prices are inseparably associated; prices must be kept down to get volume, and volume is the only basis on which costs can be kept low.

"If we fail to take the bold view of preventing prices from rising as a vital means of attaining volume much above pre-war levels, if we adopt the narrow approach of merely trying to re-establish pre-war production and markets, then we shall be throwing away our prospects for high employment and a progressive and expanding society. Both labor and enterprise have a vital stake in co-operating with the Prices Board in preventing prices from rising."

Parts From U. S. Higher

What WPTB officials face, is the fact that Canadian manufacturers who require components from the U. S. in order to recommence manufacture of consumer durable goods (and most of them will be required to draw to a considerable extent on U. S. resources), will have to pay the new higher prices which are about to be authorized in the United States.

How this situation will be met is not yet determined. Broadly, there are two methods of approach. One is to broaden and expand Canadian subsidy policy so as to assist Canadian manufacturers in keeping their costs down. The other is by a bold attack on exchange taxes and tariffs.

Immediate relief could be given in either of these ways. In the case

(Continued on page 2, col. 4)

Wasa Lake Drills Extend Indicated Ore in North

Diamond drilling has been extending the north ore body of Wasa Lake Gold Mines farther to the east and there is now indicated a total ore length of 1,400 ft., with a wide zone showing 4,000 tons of ore to the vertical foot (or 3,000 tons to the vein foot) grading approximately $5.50 a ton at $38.50 gold, The Financial Post is informed.

For a length of 1,200 ft. at the west end of the indicated ore zone, the average runs $5.43 per ton across an average width of 25.5 ft., with best individual values reported in deeper holes. A hole just completed 200 ft. farther east—to bring the ore length to 1,400 ft.—has returned 37.3 ft. of core averaging $5.81 per ton, which means upward revision for both average width and average grade of the zone.

Zone Broadens to East

The latest hole not only indicates the ore zone is continuing strongly to the east (west-end holes have shown some recession) but shows a new broadening out of the ore structure as the immediate hole to the west, next to this farthest east hole, returned 0.177 oz. across the relatively narrow width of 8.5 ft.

With improved results to the east, two further holes of considerable importance are now drilling. Drill hole No. 115 is located 300 ft. east of hole No. 112 which gave latest good intersection, while drill hole No. 114 has been started at a point 1,950 ft. farther east of No. 115. This hole is 100 ft. north of the projected centre line of strike in an area where previous drilling is stated to have indicated favorable structure.

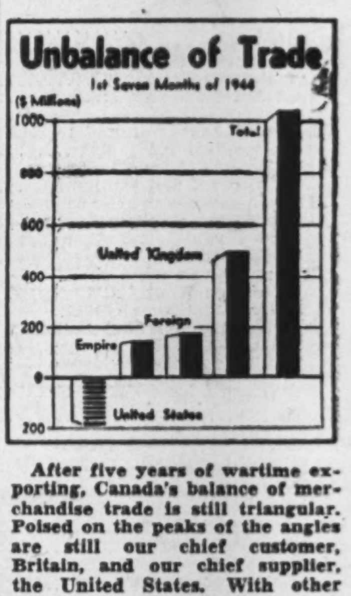
Plan Boundary Hole

A further hole is proposed on the boundary, with Wingait Gold Mines—roughly 3,300 ft. east of the most easterly hole now drilling. The Wasa Lake shear has been shown to extend on to the Wingait property in recent drilling, although ore values have not been intersected there as yet.

Besides the tonnage indicated in drilling on the north zone, 16 drill holes completed some years ago on a Wasa south zone gave gold values over a length of 1,200 ft. and across a zone width of 350 ft. Narrower veins in this structure returned higher values than for the north zone and it is possible that with establishment of a mining operation, a considerable tonnage of ore from the south zone might be available to "sweeten" mill feed from the north ore zone.

With $350,000 cash reported in the treasury and 250,000 shares under option at 75c. a share, adequate financing is available to carry out the presently projected program.

Pace of Business



After five years of wartime exporting, Canada's balance of merchandise trade is still triangular. Poised on the peaks of the angles are still our chief customer, Britain, and our chief supplier, the United States. With other Empire countries, our relative position is little changed: other foreign countries have bought more, sold us less than pre-war.

To label these balances "favorable" or "unfavorable" would be to become involved in a technical anachronism. Balancing these items on our books are freight and shipping, interest and dividends, tourist expenditures, non-monetary gold movements, and "all other current transactions." These have helped supply our deficiency of U. S. dollars. Our merchandise unbalance merely underlines the position of Canada's merchandise exporters as we move into reconversion. We are an exporting nation: we still buy in the U. S. and sell chiefly to the U. K. We may expand our "other foreign" trade, but within this triangle still lies our export future and we have not yet "solved the triangle."

Death Duty Plan Waits U. S. Action

By STAFF WRITER

OTTAWA—The convention for reciprocal succession duty arrangements between Canada and the U. S., and which is now before the U. S. Senate, has already been approved by the Canadian Parliament through passage at the last session of Bill 159.

As the Canadian bill was finally passed by Parliament, the convention is to come into effect on proclamation. Presumably the bill will be proclaimed as soon as the U. S. Congress has ratified the convention.

Price Ceiling Stays --- Gordon

Launches Reconversion But Warns of Pacific War Demands

On Monday, Sept. 11, Donald Gordon presented the first clear official statement of the Wartime Prices and Trade Board's policy for the transition period to the Canadian Club at Toronto. In brief, Canada's policy is to hoist restrictions and controls as rapidly as possible, evidence of which appears in the 56 orders revoked this week (which appear on page 17), but to hold the price lid tightly to the 1941 base. Because Mr. Gordon's statement is perhaps the most significant utterance for business since price control was imposed in 1941, The Financial Post here publishes the speech virtually in whole.

On March 30, 1942, I came to Toronto to give an outline of the plans in the making for the enforcement of an over-all price ceiling policy and the provision of essential supplies as part of the Government's plans for a maximum diversion of production for war. On that date we were facing grim prospects. Reverses to the forces of the United Nations were happening with appalling regularity and there was room for honest doubt about the ability of the democracies to organize and develop their tremendous latent resources into a war machine in time to prevent the gangster-dominated Axis from over-running the world.

Today, we are facing an equally important planning task and perhaps an infinitely more difficult one. The relentless advance of the United Nations, including our own gallant armed forces in every theatre of war, has brought the day of Victory into the immediate future. It can now be said with assurance that the end is inevitable; indeed, it is already in sight.

That means that industry must new proceed vigorously to develop and implement its plans for turning its swords into ploughshares, for providing jobs for the hundreds of thousands of people who will one day cease to produce the supplies and munitions of war. In the reconversion of our economy each segment of the economic structure has its part to play and every citizen will have to bring all his intelligence and realism to bear on the task.

Now, while emphasizing the responsibility of industry I am keenly aware that businessmen must know what to expect in the matter of the continuance, or otherwise, of the many wartime controls which have been necessary to ensure the magnitude of our war effort. I propose, therefore, to follow my own advice and deal specifically with the positive action which the Wartime Prices and Trade Board expects to take both in the months that lie immediately ahead, and in the transition period which may soon begin and, as well, indicate the circumstances under which its regulations and restrictions will be amended from time to time.

My intention now is to explain: **First** what procedure the Wartime Prices and Trade Board will follow in regard to the removal of the various restrictive controls on civilian production now imposed on certain types of manufacture, and **Second**, how we propose to deal with the new pricing problems which are likely to arise when war production begins to give way to production for peacetime purposes.

I emphasize that my remarks are aimed toward the time when it will be possible to relieve fully, or in part, the strain now placed on our economy by war production. They are not intended to suggest that the time has actually arrived for a general relaxation of the war effort. At this stage, war production and essential civilian needs must continue to get, and **will get** prior claim on all necessary materials and labor. Because of this, there is as great a need as ever to maintain price controls to guard against inflation, and to continue most of the restrictions against the civilian use of certain materials still urgently needed in war. But we should be short-sighted if we did not look ahead, or if we postponed for one moment longer than necessary the removal of regulations which might impede the transition from war to peace. If without hurting the war effort the supply of civilian goods can be increased, then the pressure on prices can be relieved, and if we can keep prices stable we can build a foundation for the healthy and orderly reconstruction and rehabilitation of our peacetime economy.

To Trim Orders

Subject to the reservations I have just made, I can announce that it is the administrative objective of the Wartime Prices and Trade Board to reduce and simplify its system of wartime controls by withdrawing, as soon as practicable, all orders prohibiting or restricting the manufacture of finished civilian products. The orders of the Prices Board on Supply, in so far as they affect the use of metals, are supplementary to the regulations of the Wartime Industries Control Board and the Department of Munitions and Supply, which administers the controls over critical materials and are responsible for ensuring that the necessary demands of war production are met. Very soon a statement from these agencies will also be made with respect to the controls under their jurisdiction.

Under the regulations of the Wartime Prices and Trade Board, the manufacture of hundreds, if not thousands, of civilian items has been restricted by one type of order or another—some of them since early in 1942. Such restrictions have been

(Continued on page 7)

TWEEDS . . .

To put Pep and Colour into the Fall Scene!

The Old Country gave us Tweeds and now they are as much a part of the Autumn picture as turning leaves, harvesting and things. You'll find a fine array of the best available at **EATON'S** . . . herringbone of variegated hues, the salt and pepper Donegal effects . . . burly Harris types and many more — handsomely tailored in Topcoats and Suits for men and young men. We invite you to visit our clothing shops, to see their attractive masculine atmosphere and inspect the quality merchandise.

EATON'S

Mate Yellowknife Gold Mines states that development work will get under way immediately on its claims north and east of the Giant property. Bernhard Day, consulting engineer, reports three strong shear zones have been located in the southeastern part of the property and another in the northeastern section.

Consolidated Balance Sheet of

CANADA PACKERS LIMITED

(Incorporated under the Dominion Companies Act)

AND ITS SUBSIDIARIES

As at 30th March, 1944

ASSETS

Cash on hand		$ 48,638.54	
Investments:			
Dominion of Canada Victory Loan Bonds at cost	$3,010,000.00		
Other Bonds and Shares at book value which is less than market value	146,816.74		
		3,156,816.74	
Accounts Receivable:			
Usual Trade Accounts (after provision for losses)	$6,804,429.24		
Government Accounts	2,776,257.39		
Balances receivable from Employees for Victory Loan Bonds purchased on their behalf (secured)	104,386.02		
		9,685,072.65	
Inventories:			
Products, Materials and Supplies on hand and in transit—as determined and certified by the Management and valued at the lower of cost or market, after deduction of Inventory Reserves		17,179,168.25	
Life Insurance (cash surrender value)		514,395.60	
Prepaid Expenses		81,751.25	
Sundry Advances, Mortgages, Deposits, Balances Receivable and Advances to Employees for Expenses, etc.		145,493.53	
Total Current			$30,811,336.56
Investments in and Advances to and from Subsidiary Companies, less reserve:			
Investments		$ 340,003.64	
Less Net Advances		234,396.49	
			105,607.15
Portion of Taxes refundable under the Excess Profits Tax Act			340,000.00
Fixed assets — Land, Buildings, Leasehold, Plant and Equipment			23,263,769.09
Fixed assets which have been appraised are shewn at their depreciated appraisal values, and other fixed assets are shewn at not exceeding cost.			
The appraisals were made by—			
Dominion Appraisal Company Limited—31st March, 1927.			
Canadian Appraisal Company Limited — 31st March, 1919, October 1919, and 30th September, 1922.			
American Appraisal Company — 1st October, 1919.			
Goodwill			1.00
			$54,520,713.80

LIABILITIES

Borrowings from Bankers and Others (secured $7,423,000)	$12,464,541.24	
Accounts Payable and Accrued Charges	4,180,254.22	
Provision for Income, Sales, Municipal and Other Taxes	4,192,715.34	
Dividend Payable on Common Shares, 1st April, 1944	200,000.00	
Total Current		$21,037,510.80
Funds Held in Trust		372,403.55
Provision for Depreciation of Fixed Assets		14,724,568.98
Surplus on Appraisals		5,675,506.31
Capital—Authorized and Issued:		
200,000 Common Shares of no par value	$ 1,438,284.46	
Earned Surplus Account	11,272,439.70	
		12,710,724.16
		$54,520,713.80

Consolidated Earned Surplus Account

Balance at credit 25th March, 1943	$10,384,852.94
Net Profit for the year	1,687,586.76
	$12,072,439.70
Dividends paid or payable for the year	800,000.00
Balance at credit 30th March, 1944	$11,272,439.70

Weston Confirms Grocers Purchase

The rumor that a controlling interest in Western Grocers Ltd. had been purchased by W. Garfield Weston was officially confirmed this week by Mr. Weston and by W. P. Riley, president and general manager of the company.

The transfer register shows that 5,000 shares of preferred stock and 10,087 shares of common stock have recently been acquired in the name of a third party and it is believed that these are the shares purchased by Mr. Weston. Capitalization of the company consists of 11,943 shares of 7% cumulative preferred stock with a par value of $100 and 16,943 shares of no par value common stock. The preferred stock has equal voting rights with the common. Consequently if Mr. Weston owns the above stock, he would have 52.2% of the voting power of the company.

Now Ready

The National List of Advertisers and their Advertising Agencies

This pocket-size booklet of 160 pages lists over 2,000 principal advertisers in Canada — names their advertising agencies, gives addresses, personnel, products and brand names. A complete list of Canadian advertising agencies is appended.

$2 postpaid

CANADIAN ADVERTISING
481 University Avenue, Toronto 2

FOR *Fine Gloves* IT'S ACME

Whether you choose gloves fashioned of Canadian Deerskin, Peccary Pigskin, domestic or imported Capeskin – choose Acme. This little tab on every pair of Acme gloves tells you, "Here is everything in a glove that's good."

LOOK FOR THE ACME TAB ON EVERY PAIR

INVESTORS' INDEX

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Can. Breweries	17	Power Corp.	21
Can. Car	1	Soo Line	11
Can. Celanese	19	West. Grocers	2
Can. Cottons	11	Willson Station.	4
City Gas	2		

MINES AND OILS

Adian	24	Kimball Porc.	22
Aubelle	23	Kinojevis R.	22
Audley G. M.	22	Lake Shore	21
Auvillebon G. M.	22	Manterre	22
Balboa Exp.	22	Mate Y'knife	2
B. E. A. R.	22	Mills R. L.	22
Bellegrand	22	Mud Lake	2
Bellezone	22	Northbreak	22
Belrosa	23	Pipestone N.	22
Blondor Que.	23	Porc. Lake	22
Calgary & Edm.	21	Preston E. D.	22
Chieftain Persh.	22	Redstone Porc.	22
Elder G. M.	22	Rocamsa	22
Goldora	23	Spina Porc.	19
Inco.	22	Starlight	22
Jasper Porc.	22	Val d'Belle	22
Jeroco G. M.	22	W. Malartic	23
Kamlac	23	Wasa Lake	1

Revenues Up For City Gas

Steady Progress Since Reorganization — Nine Months Report Issued

From Our Own Correspondent

MONTREAL — Following recent capital reorganization, City Gas & Electric Corp. is now in a fairly satisfactory position, James Becket, vice-president and general manager, stated to The Financial Post.

Earnings in the company's Amos division are doing a little better than maintaining previous figures and in Three Rivers, earnings from operation of the gas distribution system are "definitely on the upgrade as a result of strong demand for the services of the company."

Mr. Becket reports that during the past three years there has been an increase of over 50% in the number of connected customers.

The financial statement, just released, for the nine month period from July 1, 1943, effective date of the capital reorganization, to March 31, of this year, shows operating income at $15,357 while, after deducting interest, depreciation provision etc., there was a net loss for the period of $4,543.

Last previous financial statement available, for the year ended March 31, 1941, showed profit of $14,559, before depreciation and interest. Early last year the company sold its Yamaska County distribution system to Southern Canada Power for $40,000.

Balance sheet as of March 31, 1944, shows current assets at $38,083, current liabilities at $65,561.

State Control Of B.C. Timber?

From Our Own Correspondent

VANCOUVER.—If the CCF takes over the reins of power in B. C. the Government will take steps to apply state control to the province's biggest industry, according to evidence given to the Sloan Commission last week by Colin Cameron, MLA for Comox and chief financial critic of the opposition party.

Mr. Cameron would, he says:

1. Broaden the scope of the forest service to make it an operating as well as an administrative unit.

2. Eliminate private loggers from Crown grant timber stands.

3. Increase taxation and other charges on private industry and make the Government itself the major factor in production of logs and lumber.

Total B. C. forest revenue in 1942 was $124 millions, of which $52.8 millions was paid out in salaries and wages, said the witness. "The overwhelming bulk" of the revenue, he said, was drawn off into private hands whose main reinvestment is in the extension of holdings. The CCF member added that private industry had shown unwillingness to shoulder the burden of regeneration unless it could be assured control of the lands.

Actually, some of the biggest operators appearing before the Government have argued in favor of the Government assuming control over logged areas as well as over a general reforestation policy. Under present conditions, in large timbered areas, private companies have no interest in the land when it has once been denuded of timber and therefore have no incentive to reforest.

Many Orders Still In Force

Orders revoked by WPTB this week are listed by The Financial Post on page 17 of this issue. In general, this lift moves some of the restrictions on certain uses of metals. But the lid is not off.

Still prohibited is, for example, the use of certain metals in making radios, radio-phonographs, domestic washing machines, ironers and domestic and commercial vacuum cleaners, domestic refrigerators—all types; domestic sewing machines and parts, office and store equipment and supplies, safes and similar devices, commercial electrical cooking equipment and commercial electrical appliances, electric stoves, ranges and rangettes, lawn mowers, metal signs, platinum jewellery.

Still restricted is production of warm air furnaces, stoves and ranges (not electric), fire protective signal and alarm apparatus, dry cell batteries, bicycles and parts, floor finishing and maintenance machines, new construction machinery and equipment, electric generators (small) motors and control equipment, transformers, generators, switchgear, circuit breakers, disconnecting switches and other devices, office machinery, commercial refrigeration and air-conditioning equipment, metal containers and closures, farm machinery and equipment, fluorescent lighting fixtures, wooden ladders, bristles and brushes, electric fans.

Price ceiling orders are still definitely in effect, and many other lines remain standardized.

Better Business Head Speaks in Toronto

H. J. Kenner, general manager, Better Business Bureau of New York City, Inc., and founder of the Better Business Bureau movement 30 years ago, is speaking Sept. 15 at a dinner meeting of members of Toronto Better Business Bureau in the King Edward Hotel at 6.30 p.m.

His subject is "The Public Service of Private Business."

Since Mr. Kenner first conceived the idea of a Better Business Bureau movement, 86 bureaus have been opened, of which five are in Canada, the balance being in the United States.

See Trouble for Canada In Byrnes' U.S. Price Plan

(Continued from page 1)

of subsidies, the disposition in Canada is to limit them to so-called "essential" goods. Is a new radio an essential article? Or a new automobile? To some people it would be a luxury, to many others a necessity. In the case of articles which are not strictly "essential" a considerable number of U. S. components have already been coming in and the higher U. S. costs absorbed by Canadian firms.

No Tariff Policy Reference

One important omission from the Gordon speech was any reference to tariff policy.

Obviously the government has some leeway in meeting the threat of higher U. S. costs, either by removing the 10% War Exchange Tax or eventually by removing the 10% premium on U. S. dollars. This is quite apart from any direct lowering of individual tariff items.

When the last budget speech was being prepared early this summer there was considerable pressure then to have the 10% war exchange tax removed. Finally the government decided it could not afford to lose the $120 millions of revenue involved, so nothing was done except to remove it entirely in the case of agricultural implements and parts.

The cleavage in view between Washington and Ottawa may bring to the fore in the very near future this whole matter of tariff and exchange between the two countries.

So far as the premium on U. S. funds is concerned, there is firm resolution here not to make any change unless absolutely necessary, or at least until Britain and the U. S. have agreed on a postwar exchange rate along the lines of the Bretton Woods discussions.

WPTB officials had no knowledge of the Byrnes statement when the Canadian policy was being formulated. Discussions on the Canadian policy have been going on now for a considerable time. What was intended in the Gordon statement was the formulation of a basically sound over-all principle (such as was attempted originally in 1941), and something which could be used as a starting point on which to build practical administrative machinery.

In short, the Board recognizes that its new statement of policy opens up a host of new administrative problems so far as the pricing of durable consumer goods is concerned. The prospect that these administrative decisions will temper the "hold the line" approach is found in this sentence of Gordon's speech:

"Naturally, some exceptions may have to be made and it is not intended to follow hard and fast rules any more than it is important to deal with exceptions as exceptions and not allow the exceptions to develop into a policy itself."

Many "Exceptions" Likely

That the Board will have plenty of "exceptions" on its hands was apparent from the moment the Gordon speech was understood. From a score of manufacturing groups representing some of the biggest industries in Canada came immediate complaint that such a policy would completely nullify any effort on the part of the government to free the way towards postwar conversion.

One firm contended that its wages alone had risen 70% over 1941 levels and that production of goods at the 1941 prices was "unthinkable." In some respects Ottawa this week recalls the same sort of situation which prevailed back in 1941 when the overall ceiling policy was announced.

But even those who had grave doubts as to whether it would be possible to hold the new "reconversion" price line all admitted that Canada's postwar salvation lay in low costs and volume production and that basically the Gordon approach was sound so far as national policy generally was concerned.

UNRRA Faces Policy Problem

(Continued from page 1)

because of war's strain, the Boards appear as a necessary and desirable mechanism — something which should be continued if possible through the transition period.

In some degree this view is shared by the United States, although the present disposition in that country is to deal ruthlessly with anything which seems to bar immediate return to a system of wide-open free competitive enterprise.

If it comes to a showdown at UNRRA, as well it may, it seems more than likely that this country will find itself on the side of the smaller nations arguing that combined boards must disappear and be replaced by a more "democratic" mechanism, now that the great hump of organization for total war has almost been surmounted.

UNRRA and "Military"

Two other matters of wide interest to be discussed at UNRRA are the relation of this authority with the "military" and the position of UNRRA in regard to enemy countries.

The question of whether relief supplies shall continue to be handled and distributed very largely by military authorities (that is, the promptness with which authority is handed from military to civilian—UNRRA or local hands) is a matter of some consequence to Canada if only in a financial sense. If the "military" are paying the shot, then the burden probably falls largely on Canada and the United States (since much of Britain's share may ultimately have to be borne by Canada so far as payment of food supplies is concerned). On the other hand, once UNRRA or civilian authority takes over, the burden falls either on all the United Nations or on the individual nation which elects to pay its own way.

A final point, certain to take up much time at UNRRA, is the desire on the part of the "recipient" nations to find out what they are likely to get out of the UNRRA "pool."

Distribution Plans Unrevealed

At the moment there is great secrecy as to just what plans UNRRA has for distributing its resources. There is also considerable jealousy and jockeying for position on the part of those who want to get the best possible "deal" in whatever distribution will be made.

Views differ widely as to whether UNRRA's function has shrunk or enlarged with the rapid change in affairs in Europe. One view holds that a disposition toward individual administration on the part of many nations, plus extension of military authority and the shortening of the European war, has all tended to whittle down UNRRA's role and function.

Another view is that the shortening of the military operation has hastened the time when UNRRA must be ready to operate and probably enlarge its useful life span.

In any event it is admitted that whatever happens in the field of supply, UNRRA has a huge job on its hands (a job no one else seems disposed to tackle) in the handling of displaced persons.

The number of such persons is sometimes placed as high as 30 millions (exclusive of Russia). The actual figure may be much less than that.

Head of Canada's delegation is L. B. Pearson, who is also chairman of the important Committee on Supply.

BRISTOL AEROPLANE COMPANY

High Level of Production

The 34th ordinary general meeting of the Bristol Aeroplane Company, Ltd., was held at Bristol, England, on August 24th.

The following are extracts from the statement by the Chairman, Mr. W. G. Verdon Smith:

After providing for depreciation and Excess Profits Tax the amount available (£1,108,224) is slightly higher than in 1942 (£1,099,491). Provision for Income Tax at £694,000 indicates that certain reserves and contingencies although not allowable as charges for taxation have been regarded by your Board as prudent in present circumstances.

During 1943 production was again maintained at a high level. BRISTOL aircraft and BRISTOL engines have operated in every theatre of war with every Royal Air Force Command and with the Fleet Air Arm. In addition to continued deliveries of BEAUFIGHTER aircraft and HERCULES engines, newer types of aircraft, engines and armament have begun to make their appearance. BEAUFIGHTERS have now succeeded BEAUFORTS in the production factories of the Australian Commonwealth. Progress has been made with the design and development of our large Type 167 Transport aircraft (sometimes referred to as the Brabazon Type 1) and an increasing proportion of design effort is now being devoted to this project. Meanwhile, BRISTOL PEGASUS engines in the Empire flying boats have throughout the war been giving service which compares very favourably with the much publicised American claims for reliability and performance.

Future Prospects

The unmistakable signs of victory at last justify even those most closely concerned with the provision of essential war equipment in devoting considerable thought to the post war period. The course of our technical progress is well defined. British design and construction can challenge the world and our Company intends to be in the forefront of the challengers. I have mentioned our big transport aircraft. In addition, an extensive programme of other developments, both of aircraft and of aero engines, is in hand.

It is our hope and determination that our Company will be enabled by its initiative and success in post war years not only to give a fair return to those who have by their investment in this business made possible the position which this Company holds today but also to devote itself still further to the welfare and working conditions of our employees generally.

Finally our primary duty for the present is to contribute our maximum effort to the war; when that is done we must apply ourselves to the transition from war to peace—we must push forward our new projects, reopen our foreign markets and, above all, return to the fundamental principles of industry and commerce which war conditions have for so long overshadowed.

Removal Notice

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George W Spinney, C.M.G., *President* B. C. Gardner, *General Manager*

A 232

The Montreal Stock Exchange and Montreal Curb Market report that collateral borrowings by member firms reached, at end of July, highest level since April, 1940, at $10,832,153 compared with $10,453,793 month before and $8,577,464 year before.

Mud Lake Mines is reported surface trenching a new quartz vein in the north-central section of its property. The showing is said to occur in a well-mineralized shear; samples are being taken.

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Simpson's

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Penicillin Rounds the Corner

Look for Costs to Drop From $200 to Around $10

By STAFF WRITER

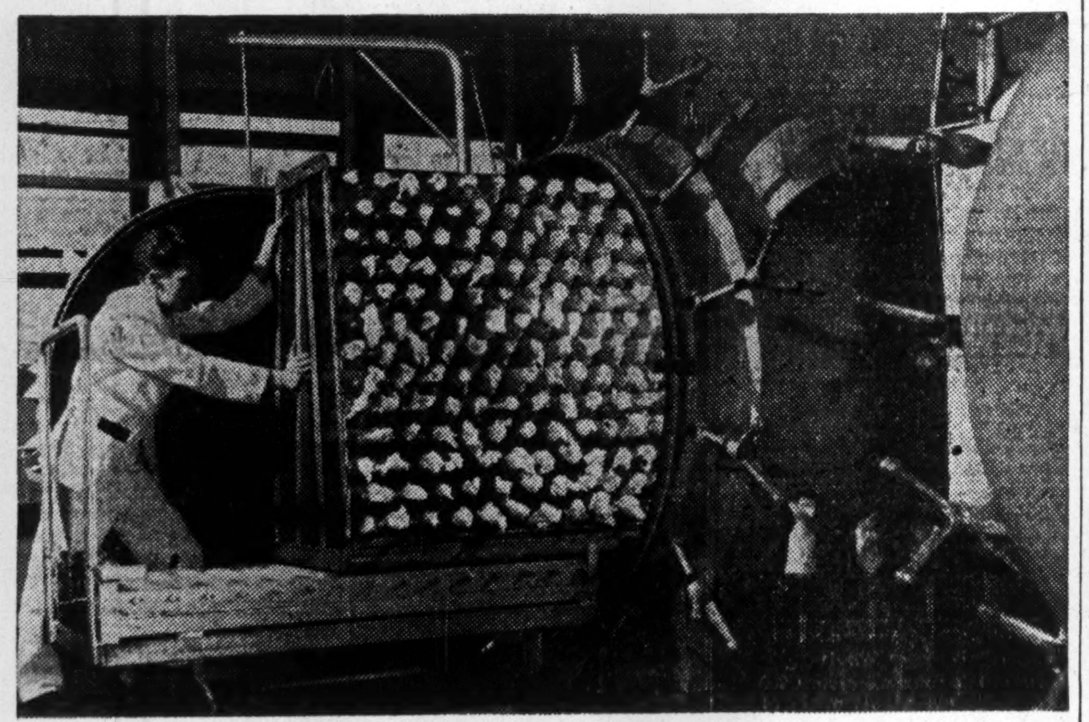
OTTAWA—Out of the secrecy that has surrounded the manufacture of penicillin, a number of important facts about production and distribution are beginning to emerge.

Most important, perhaps, is the announcement that the price of penicillin will come down to $4.50 per 100,000 units, against a former production cost of $20.

Another fact is that production of penicillin is running currently at a level of about 100 billion units a month. Out of this supply, about one billion units of U. S. production has been made available in Canada in recent weeks (since July 15) for civilian distribution. Some additional U. S. product is being made available from the common United Nation's "pool" for use of our armed forces.

A billion units of penicillin, by the way, is about 1,000 grains of pure material. The individual vials in which penicillin is now being supplied hold 100,000 units or about one grain each.

Canadian officials will not yet disclose either the productive capacity or the actual output of penicillin in the three Canadian plants. One reason given, is that the total Canadian supply, whatever it is, is going to the armed services. Another reason (probably the more important one) is that output is at present highly variable.



Protection while it is "growing" is of prime importance to the mold from which the new antiseptic and healing drug penicillin is derived. After filling and corking, bottles are racked and rolled into a sterilizer or autoclave which acts on the same principle as the steam pressure cooker used in home canning. Action seen here is at the Government-owned penicillin plant operated by Ayerst, McKenna & Harrison Ltd., Montreal.

Three Plants at Work

The most recent and revealing statement on penicillin in Canada was made a few days ago by William Harrison, chairman of the board of Ayerst, McKenna & Harrison, Ltd. of Montreal. Speaking to the Montreal Rotary Club, Mr. Harrison disclosed that production in Canada is being carried on in three plants, two of which are completely owned and controlled by the Department of Munitions and Supply, and the third an independent producer. The Government-owned plants are at Connaught Laboratories, Toronto and the new plant of Ayerst, McKenna, Harrison near Montreal. The third producer is the Canadian branch of another U. S. producer: Merck & Co.

(From official sources The Financial Post learns that the actual productive capacity of the two Government-owned units at Toronto and Montreal is approximately a billion units a month at each plant. This production comes entirely from what is called the "shallow culture" method. A further extension is said to have been authorized at Connaught for deep culture manufacture of penicillin and which it is expected will double the capacity of that plant by next year. Further extension of the Ayerst plant at Montreal for deep culture production is also probable. In addition to these two Government-owned plants, there is now a third Canadian producer, Merck & Co., now getting into production on a deep culture basis.)

The system by which penicillin is made available for civilians in Canada is handled through the Chemicals Controller, E. T. Sterne. Says Mr. Harrison:

"All public general hospitals across Canada with 26 beds or more (there are 400 of them) have been given a quota of penicillin supplies to meet their requirements. Smaller hospitals obtain supplies by making direct application to the chemical controller's office, which arranges shipment by National Drug & Chemical Co. This company carries stocks of penicillin for DMS at 14 points from Halifax to Vancouver. The penicillin is supplied at a price set by the Controller. The National Drug & Chemical Co., acting as distributor, performs this service for the Department without remuneration of any kind."

From $200 to $10

On the question of cost, Mr. Harrison disclosed that in the earliest days of penicillin production, the U. S. Government paid $200 for a million units (that is, for 10 grains of penicillin).

"It is generally agreed" he said "that this figure did not actually cover the cost of production at that time. Research in the field of mycology, which is the field in which molds are studied, together with many improvements in methods of production usually by trial and error (there have been both trials and errors) have resulted in lowering the costs of production until today the million units which formerly cost $200 probably cost around $35."

(This week it was announced that the price would be brought down to $4.50 on Sept. 15 for 100,000 units, equivalent to $45 for one million units.)

"If therefore you should have the misfortune of finding yourself in hospital for treatment of one of the most severe conditions in which penicillin is known to be effective (and you will be a very sick patient) the amount of penicillin required for your case would cost at the present time a maximum of $60. It will not be long before the cost will probably be not more than $10 or $15 or even less."

Civilian Price Now $60

(It is understood from official Canadian sources that the actual price at which penicillin is currently being made available for civilian use is $6 per 100,000 units or $60 per million. This price is based on the actual cost of the individual U. S. producers which are supplying the Canadian civilian market, to which is added the cost of exchange, taxes, distribution, etc. Costs of individual U. S. producers are said to vary very considerably from the present "average" as indicated by Mr. Harrison.)

Mr. Harrison disclosed that in the United States, a few months ago, WPB had set up a Penicillin Manufacturers Industry Advisory Committee "of which both Canadian laboratories are member firms." This committee he says, "was formed for the primary purpose of pooling information so that the production could be expanded as rapidly as possible and costs lowered." Through a subcommittee, comprising technical personnel from each company, current information is exchanged freely. 'There are no secrets in our family."

He said that a number of companies had taken out patent applications in connection with their processes (there were 17 U. S. firms with a capital investment of $20 millions originally working on penicillin before the pooling plan was required by WPB). Much money had been spent on these processes before the pool was formed, but it is now unlikely that "they will ever secure any patent protection."

Scarce Everywhere

Describing the efforts to make penicillin available for civilian use, Mr. Harrison said:

"As penicillin has been so urgently required for the forces overseas and the supply has been so limited, it has not been possible to make it available for civilian use until recently. This situation is not peculiar to Canada, as the same condition has existed in Great Britain and in the United States.

"By May of this year, the United States had reached a point in production where a limited amount was made available for civilian use in that country and while production in Canada is not yet sufficient to take care of civilian requirements the Department of Munitions and Supply has been able to secure a limited quantity from the U. S. for this purpose.

"The position therefore is that all penicillin being made in Canada is used for the armed forces while supplies of material for civilian use are imported for the time being from the U. S.

"With the invasion of Normandy and the extension of battle fronts on the continent, the requirements of penicillin have gone up steeply but there is every indication that supplies for civilian use will be maintained.

Shortage Easing

"The period of rushing penicillin forth and back across the continent in small lots by airplane to save anyone's life in the nick of time is past. The situation in Canada today is that no one's life need be lost because penicillin is not available. The only exception to this would be of course some location too far removed from a source of supply to meet the emergency in time. But the prospects of steadily expanding the supplies are bright."

(One reason that penicillin is being distributed first only through hospitals is that it cannot be taken orally but must be injected into the body by intravenous or similar means.)

Mr. Harrison pointed out that "the amazingly arresting force" of penicillin could be measured by the fact that in contact with staphylococcus, and in the purest form in which it can now be produced, "if diluted about 30 million times, will completely stop growth of the microbe. Its effect on streptococcus (which in the last war was a constant infection of war wounds) is even more effective."

"It will be easier," he said, "to visualize the infinitesimal nature of this dilution if you consider that to dilute one drop of fluid 100 million times would mean about one drop in 9,000 imperial pint bottles such as we use in this country."

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The National List of Advertisers and Advertising Agencies in Canada is now ready for delivery. This edition has been brought right up to date with fresh data supplied direct from advertisers and their agencies. It lists approximately 2,000 advertisers.

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U.K. Allocates Cargo Ships for B. C. Lumber

From Our Own Correspondent

VANCOUVER.—Britain's hurry-up call for lumber has resulted in West Coast mills crowding on full pressure for maximum production, and it has also introduced a new phase in transportation.

During the next few months the British Ministry of Supply will make available a greatly increased amount of tonnage for the lumber trade of British Columbia, so that the greatest possible amount of shipping space will be at the industry's disposal.

Transport Miracle

The use of cargo ships in British Columbia's export trade is, of course, no innovation in a broad sense because under normal conditions most of the lumber for foreign markets is shipped by the water route; but during the past three or four years the shortage of shipping has been so intense that a cargo ship loading lumber in a West Coast port has become a comparative rarity. Most of the lumber has been shipped by the overland route by rail, for transshipment to the United Kingdom by ships calling at Atlantic ports.

When the full story of Canada's transportation job in this war is told, one of the brightest chapters will be devoted to the way in which the railroads tackled an unfamiliar and not entirely welcome role—coast-to-coast transport of lumber. The performance of the railroads has won commendation even from hard-boiled West Coast sawmills who habitually minimize everyone's achievements, including their own.

But even while the railroads will continue to carry a large volume of lumber, Britain wishes to augment their carrying capacity and now that ships are not at such premium demand in other spheres it has been found possible to release a large number for the North Pacific.

The established quotas for lumber distribution will not be upset by this new sea-borne movement.

Spokesmen for the Canadian Timber Control say that the quota for the United Kingdom and overseas dominions remains at 50% of the entire B. C. production, and that this will not be exceeded. About 40% of production goes to the Canadian domestic market, and in recent months shipments to the domestic market have been slightly in excess of quota. By speeding up the water shipments it is expected that this disparity will be righted, so that Britain will get her full quota by the end of the year.

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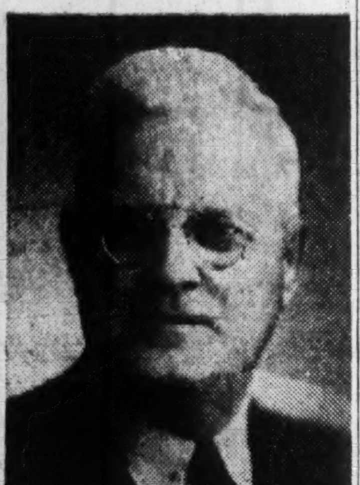

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NOTICE OF CALL AND REDEMPTION TO HOLDERS OF THE CITY OF PORTAGE LA PRAIRIE 4½% DEBENTURES DUE DECEMBER 31ST., 1972

Take Notice that the City of Portage la Prairie hereby calls for redemption and intends to redeem all 4½% Debentures issued by it dated the 1st day of January, 1948, maturing the 31st day of December, 1972, which have not already been called for redemption, and in particular but without restricting the generality of the foregoing, the Debentures hereby called for redemption are as follows:

2	72	148	236	300	375	464	540
3	73	149	237	301	376	465	541
4	75	150	239	303	377	466	542
5	76	151	240	304	380	467	544
6	77	152	241	306	381	468	546
8	80	153	242	307	384	469	550
9	81	155	244	311	385	470	552
10	82	157	246	315	386	471	553
11	84	158	249	316	387	472	555
16	85	161	250	318	388	474	557
17	86	162	251	319	389	475	560
18	87	163	252	320	390	478	561
20	91	164	253	321	391	481	562
21	93	165	254	322	392	488	563
22	94	174	255	325	393	489	564
23	95	176	258	326	396	491	565
24	96	181	259	329	400	492	566
25	97	182	260	330	401	497	567
26	99	184	261	331	403	498	585
27	100	185	262	332	406	502	587
30	102	188	263	334	407	503	588
34	103	192	264	335	408	504	590
35	106	193	265	337	409	505	591
36	107	201	266	340	410	506	592
38	109	202	267	341	417	508	593
39	110	203	268	342	418	509	594
40	111	205	269	343	419	513	595
41	112	206	270	344	420	514	596
42	113	208	271	347	421	515	597
43	117	209	272	348	422	516	598
44	118	210	274	349	423	517	599
46	122	213	277	350	429	518	600
47	123	214	278	351	431	519	601
51	125	216	279	352	432	520	602
52	126	217	280	353	435	521	603
53	127	218	281	354	437	522	604
54	128	219	282	355	438	523	605
55	129	220	284	356	439	524	606
56	132	221	286	358	441	525	607
57	133	222	287	359	442	527	608
58	134	223	289	360	443	529	609
60	135	226	290	361	444	530	610
61	136	227	291	362	445	531	611
62	137	228	292	363	448	533	612
63	138	229	293	364	449	534	613
64	139	230	294	365	452	535	614
66	141	232	296	369	453	536	615
67	142	233	297	370	457	537	616
68	143	234	298	372	459	538	
69	147	235	299	373	463	539	

Such call for redemption is in accordance with the terms of the said Debentures, and Order No. 7/43 of The Municipal and Public Utility Board.

The Said Debentures are redeemable and will be redeemed at face value and accrued interest on interest due date

DECEMBER 31st, 1944,

at the following places;

IN THE PROVINCE OF MANITOBA: At the Main Office of the Bank of Montreal in the Cities of Portage la Prairie and Winnipeg,

IN THE PROVINCE OF BRITISH COLUMBIA: At the Main Office of the Bank of Montreal in the City of Vancouver,

IN THE PROVINCE OF ONTARIO: At the Main Office of the Bank of Montreal in the City of Toronto,

IN THE PROVINCE OF QUEBEC: At the Main Office of the Bank of Montreal in the City of Montreal,

as provided in the said Debentures.

AND FURTHER TAKE NOTICE that funds required for redemption of the said Debentures will be available at the time and places mentioned above.

AND FURTHER TAKE NOTICE that all interest will cease to accrue on or in respect to the said Debentures after the date set for redemption, December 31st, 1944, and all said Debentures shall become due and payable on December 31st, 1944.

Dated at the City of Portage la Prairie, in the Province of Manitoba, this 28th day of August, A.D. 1944.

SIGNED ON BEHALF OF THE CITY OF PORTAGE LA PRAIRIE:

J. A. CAVERS,
Mayor.

W. H. BURNS,
City Clerk and Treasurer.

Canada Packers' Head Reviews Industry Trend

A phenomenal increase in production has been the outstanding wartime feature of the livestock industry, according to J. S. McLean, president of Canada Packers Ltd., in his annual report for the year ended Mar. 30, 1944.

Bacon shipments to Great Britain are estimated at 900,000,000 lb. for 1944, as compared with 560,000.000 for 1943. Prior to 1940 the heaviest shipments of bacon to Great Britain had been 192,000,000 lb.

Phenomenal Increase

"This increase in export of bacon is all the more phenomenal," said Mr. McLean, "when it is remembered:

"(a) That record increases have occurred also in production of all other forms of livestock and livestock products—cattle, sheep, poultry, cheese, butter, eggs;

"(b) That these enormous increases have been achieved with a farm population reduced 26%."

In addition to the farmers' patriotic response, the unlimited demand for livestock and its products as against a restricted market for grain, the extra profit available from marketing grains through the medium of livestock as opposed to selling them for cash, and the stimulation of advancing prices, have all been factors in increasing livestock production. Cattle prices have increased 73% and hog (A's) prices have risen 61% from 1939 to 1944 on the Toronto market.

The cash income from the sales of animals plus animal products in 1943 amounted to $834,184,000—an increase of $470,000,000, or 129%, over 1939. This increase averages $783 per farm based on an estimate that 600,000 farms sell animal and animal products.

Denies Toll on Profit

Mr. McLean also attacks charges "that the packing industry takes a heavy and unfair toll on profit on the farmers' livestock" and "that this is made possible by monopolistic conditions and practices." Canada Packers net profit before deducting wartime inventory reserve was equivalent to 1.06% of sales and after deducting that reserve, to 0.82% of sales (including in each case the refundable portion of the excess profits tax). "Probably in no other major industry is the percentage of profit so small," said Mr. McLean. For the last 17 years the net profit of Canada Packers has averaged 1.4% of sales.

Regarding the monopoly charge, the president admits that the trend in the packing industry has been continuously toward large units. But, he states, "from its beginning the packing industry has been the most fiercely competitive industry in Canada. And competition between large units is more (not less) keen than between small units.

Proposals for the establishment of a number of co-operative plants are welcomed as a means of promoting "a realization of the common interest of producer and packer."

The proposal for the natonalization of the industry would, if adopted, take away the chief safeguard of the efficiency of the industry—that is competition, according to Mr. McLean.

"The attraction of the industry from the investor's viewpoint is that turnover is rapid. Capital is turned over many times in a single year, so that a small percentage of profit on turnover produces a satisfactory yield on capital. In the case of the successful companies, the investment has been profitable.

"These facts have been sufficient to attract adequate funds to the industry, in spite of the further fact that large sums have also been lost. The hazard of the industry lies in the fact that the difference between profit and loss is a minute fraction of a cent per pound on the product sold."

Other features of the Canada Packers' report are reviewed elsewhere in this paper.

COMPANY SECRETARY

F. T. Webb, Montreal, appointed secretary of Bates Valve Bag Co., Canadian subsidiary of St. Regis Paper Co. He was for 19 years with the investment dept. of Sun Life Assurance Co. of Canada, specializing in pulp and paper securities.

Free Passenger Clause Not Always a Defense

Under the Ontario Highway Act, the owner or driver of a private automobile is not liable for injuries sustained by a gratuitous passenger in his automobile. But if the passenger at the request of the motorist takes part in the operation of the car, then he ceases to be a gratuitous passenger and the clause in the highway act does not apply.

That appears to be the effect of a judgment recently given by Mr. Justice Urquhart in the High Court of Ontario at Fort Frances, recently.

Circumstances of the case were these:

A young man named Dokuchia, 21 years of age, had worked for a farmer and lumberman named Domanach, for three days while on holiday from another position. Domanach offered Dokuchia a permanent job and the latter was to see his former employer, Stewart, to obtain a release. On Nov. 23, 1942, Domanach driving a truck loaded with logs offered Dokuchia a lift into town to see Stewart. The plaintiff accepted. The court found that at this time no relationship of master and servant existed between the two parties. Domanach knew, however, when Dokuchia got into the truck that there was a defect in the gas line.

Trouble developed and Domanach asked Dokuchia to sit on the fender of the truck and pour gasoline into the carburetor from a can in the truck and which he, Domanach, had previously used for priming. The can had two fairly large openings on the top and gasoline splashed on the engine. An explosion occurred dislodging Dokuchia who fell on the road where he was run over by the truck. As a result of his injuries both his legs were amputated.

The court found that although there was no relationship of master and servant, Dokuchia thought he was Domanach's servant, and therefore under orders. The truck-owner, Domanach, knew the operation was a highly dangerous one whereas Dokuchia who was 10 years younger had never done such a thing before, and did not know it was dangerous.

When suit was brought Domanach's defense fell under three heads:

1. The allegation that the plaintiff was a gratuitous passenger and that the defendant was therefore not liable.
2. That the plaintiff had assumed the risk willingly;
3. Contributory negligence.

The Highway Act

The clause in the Ontario Highway Act on which the defendant Domanach relied, reads:

"Notwithstanding the provisions of subsection 1, the owner or driver of a motor vehicle, other than a vehicle operated in the business of carrying passengers for compensation, shall not be liable for any loss or damage resulting from bodily injury to or the death of any person being carried in, or upon, or entering or getting on to or alighting from such motor vehicle."

The court ruled that when the plaintiff stepped out of the truck and went to the fender he ceased to be a passenger and became a joint operator with the defendant and so passed out of the statutory restriction. Moreover the court ruled the wording of the act seemed to contemplate carriage in a part of the truck ordinarily used to transport passengers such as a cab or platform or on top of a load and not in the extraordinary position and place where the plaintiff had been.

The court also noted that the injuries for which the automobile owner or driver was not to be liable, were those to a person being carried, entering or alighting. Dokuchia, the plaintiff, however, was not being carried in, on or upon the vehicle, he was on the ground. The words, alighting from also contemplated a voluntary descent whereas the plaintiff was thrown.

The court also found there was no assumption of risk by the plaintiff because there was no evidence he knew or realized the risk he ran.

Contributory Negligence

It did find there had been contributory negligence on the part of the plaintiff, however. While he did not appreciate the risk and danger, what he did was a very foolish thing and not being an employee he was under no obligation to do it. The negligence of the defendant, however, was by far the greater. Accordingly the court assessed the degree of fault at 80% on the part of the defendant and 20% on the part of the plaintiff, taking into consideration their respective positions, knowledge and actions.

The plaintiff's general damages were assessed at $5,000 and he had established $451 as out of pocket expenses.

There was therefore judgment for the plaintiff for $4,361 and his full costs of the action.

The ruling of the court that the elimination of the passenger hazard did not apply in this case under the circumstances, is of particular interest in both automobile and insurance circles as it indicates that the gratuitous passenger provision in the Highway Act is not always acceptable as a defense.

Company Reports

Guardian Realty

An increase of $3,454 to $282,442 for Guardian Realty Co. of Canada income in 1943 is attributed primarily to a small gain in rental income from its main asset, the Royal Bank Building. Net profits were slightly higher, earnings amounting to $2.21 per share on preferred against $2.12 in the preceding year.

Reserve for income and excess profits taxes was estimated at $13,501, as at Dec. 31, 1943, but L. M. Wood, president, points out that application has been made for determination of standard profits, and in the meantime provision is made for excess profits at the minimum rate. It is reported that should the application be unsuccessful there would be a further tax liability of approximately $6,700, of which the refundable portion would be about $2,200.

Preferred dividend payment in the year was on the basis of $2 per share, and arrears amounted to $1,187,500 or 118.7% at Dec. 31, 1943.

INCOME ACCOUNT

Years ended Dec. 31:	1943	1942
Rental income	$276,677	$273,006
Other income	5,765	5,982
Less: Expenses	158,902	155,189
Net earnings	125,540	123,799
Less: Interest*	55,904	56,923
Depreciation	33,791	33,791
Income tax res.	13,791	11,839
Net profit	22,054	21,246
Less: Pref. div.	20,000	20,000
Surplus for year	2,054	1,246
Times Interest Earned:		
Before deprec.	2.25	2.17
After deprec.	1.64	1.58
* Including bank interest.		
Earnings per Pref. Share and Divd. Record:		
Earned	$2.21	$2.12
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1943	1942
Cash & bonds	$52,422	$29,937
Rents & recs.*	19,548	23,997
Adv. to emp.	2,437	1,608
Supplies	2,522	2,357
Total curr. assets	76,929	57,899
Deferred charges	22,596	10,857
Fixed assets	2,749,145	2,749,145
Goodwill	1,061,672	1,061,672
Total assets	3,910,282	3,879,573
Total curr. liab.	80,766	58,151
Mortgage	900,000	925,000
Deprec. reserve	925,108	891,317
Cap. stk.: Pref.	1,000,000	1,000,000
Common	1,000,000	1,000,000
Surplus	4,408	5,105
*After reserve of	3,486	5,500
Working cap. deficit	3,837	252

Mersey Paper

Consolidated net earnings increased $317,544 to $1,105,421 for Mersey Paper Co. the year ended Dec. 31, 1943. Net profit, subject to final determination of standard profits, was $131,286 against a loss in 1942 of $37,383.

No dividends have been paid since initial distribution of 3% on the preferred in January, 1941.

Earned surplus—$1,079,155 of $1,348,820 total surplus at the end of 1943—showed an increase of $209,760 through transfer of 1943 profits to surplus, unspecified prior year additions of $100,371, less partial adjustment of Government taxes for prior years of $21,897. Capital surplus was reduced $26,195 to $269,665 by prior year charges.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1943	1942
Net earnings*	$1,105,421	$787,877
Less. Deprec.	641,624	535,689
Int., bds. & loans	236,940	252,188
Inc. tax prov.	84,689	......
Bond disc. w/o	10,882	37,383
Net profit & surplus	131,286	▲37,383
▲Deficit. *After depletion.		
Times All Interest Earned:		
Before deprec.	4.67	3.12
After deprec.	1.96	1.00
Earns. per Share & Divd. Record:		
Pref.: Earned	$2.63	d$0.75
Paid	......	......
Common: Earned	d0.96	d2.08
Paid	nil	nil
d—Deficit.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1943	1942
Cash	$625,435	$87,332
Accts. rec.	896,462	1,209,982
Inventories	1,661,012	1,675,238
Total curr. assets	3,182,909	2,972,552
Misc. assets	685,774	748,840
Investments	885,063	440,917
Fixed assets	14,352,871	14,469,904
Total assets	19,106,117	18,632,213
Accts. & tax. pay.	694,841	708,249
Total curr. liab.	694,841	708,249
Funded debt	4,904,500	5,037,500
Deprec. res.	6,407,968	5,971,221
Capital stock	5,749,988	5,749,988
Surplus	1,348,820	1,165,255
Working capital	2,488,068	2,264,308

Willson Stationers

Increased reserves for income and excess profits taxes reduced consolidated net profit $6,734 to $43,327 for Willson Stationers and Envelopes the year ended April 30, 1944. Earnings per share on the common were 54 cents against 67 cents.

Including refundable excess profits tax, however, net profit was $60,213 in the 1944 fiscal period against $61,437 the year ended April 30, 1943. Earnings on the common, on this basis, were 87 cents against 90 cents.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1944	1943
Net income†	$156,738	$144,321
Less: Inc. tax*	113,411	94,260
Net profit	43,327	50,061
Less: Pref. div.	20,000	20,000
Subsid. port.	3,450	3,450
Surplus	26,777	38,511
†After deprec. of	22,729	18,783
*Incl. ref. E.P.T.	16,886	11,376
Earnings per Share and Dividend Record:		
Pref.: Excl. E.P.T.	$13.09	$15.12
Incl. ref. E.P.T.	18.19	18.56
Paid	5.00	5.00
Com.: Excl. E.P.T.	0.54	0.67
Incl ref. E.P.T.	0.87	0.90
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1944	1943
Cash	$31,893	$5,912
Accts. rec.	132,965	179,883
Inventories	489,018	486,802
Total curr. assets	653,876	672,597
Prep. exps., etc.▲	32,496	16,368
Invests., etc.	205,860	173,860
Fixed assets*	153,349	160,638
Total assets	1,045,581	1,023,460
Total curr. liab.	145,132	168,150
Deferred liabs.	5,840	6,800
Capital stock	606,000	606,000
Capital surplus	20,488	18,060
Distrib. surplus	39,509	39,509
Earned surplus▲	228,612	184,950
*After depr. of	314,119	273,309
▲Incl. refund. E.P.T.	28,262	11,376
Working capital	508,744	504,447

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with Sales Experience

Managing Director of important manufacturing concern is looking for an assistant (about 35 years old) with experience in sales and management in the textile field.

This is a key position which affords an unusual opportunity, eventually leading to a management post.

Plant is located in progressive town in eastern townships within 60 miles of Montreal.

This is a permanent position, salary depending upon experience and capacity of applicant.

Give full particulars in writing and state when available. Apply at your nearest Employment and Selective Service Office. Refer H.O. 1319.

1944 Amendments to Income and Excess Profits Tax Acts

Exchequer Court Judgment regarding Subsidy Payments

Current Accounting Literature

The above are features in

THE CANADIAN CHARTERED ACCOUNTANT

issue of September, 1944

35c. per copy $3.00 per year

10 Adelaide Street East
Toronto 1 Ontario

Shell Output To Increase

Howe Says Peak Production Has Become an Urgent Need in War

From Our Own Correspondent

MONTREAL — The shell-filling plant of Defense Industries, Ltd., at Cherrier, near Montreal, will be operating at a high rate for longer than some people seem to think, and persons accepting jobs now at the plant will have work there for many months yet, Munitions Minister Howe stated at a celebration at the plant marking the production of the 100 millionth Canadian-produced shell.

Number of workers at the Cherrier plant has dropped to around 8,400 from peak of 12,000 employees, and efforts are being made to bring employment at the plant back closer to the peak, and step up output to the maximum.

This is a part of the recently-announced drive to increase number of Canadian ammunition workers by 10,000, including 7,000 more women and 3,000 more men. The need for more ammunition has been made urgent by the tremendous use of artillery shells, since the invasion in Europe started—the use of artillery to demolish defenses and disorganize defending forces, rather than expenditure of human lives in such effort.

Shells For Japs

Mr. Howe stated that even with the collapse of Germany the need for heavy production of shells will not end, as the war against the Japanese will continue to require much ammunition. With increasing stress on use of artillery, against Germany and against the Japs, large-scale output will be necessary for some time, particularly because there is always a chance of some setback.

Both Mr. Howe and the Minister of Justice, Hon. Louis St. Laurent, stressed that production of ammunition was as essential in the present type of war as the fighting activities.

A number of returned soldiers cited instances where prodigal use of artillery ammunition, in active battle, had saved the lives of many Canadian soldiers.

It was revealed that the 100 millionth shell displayed at the Cherrier ceremony was a twin of a shell that had been fired into the German lines, and which contained thousands of leaflets calling upon the Germans to surrender, in view of Canada's tremendous munitions production program.

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED SEPTEMBER 15, 1942

The Province of Alberta will pay interest to bona fide holders of debentures of the above issue at the rate of two and one-half per cent per annum in respect of the half-year ending September 15, 1944 being at the rate of $12.50 for each $1,000 denomination.

Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payment of interest, at any branch of the Imperial Bank of Canada in the Dominion of Canada, or at the Bank of the Manhattan Company, in the City of New York, in the United States of America. Debentures should be accompanied by the usual ownership certificates required by the Dominion Government as in the case of coupons.

Dated at Edmonton, Alberta, this 15th day of September, 1944.

(Sgd.) S. E. LOW,
Provincial Treasurer.

(Extract from The Alberta Gazette for September 15, 1944)

Representative Wanted

Well Established Shipping and Transport Company in the United Kingdom, with Branch Offices at all the leading ports, including London, Liverpool, Manchester, Glasgow, etc., desire contact with well established Canadian Representative prepared to co-operate and introduce post-war handling of freight traffic. Representative desired capable of influencing the handling of export business to Canada from the United Kingdom. Fullest details, etc., requested. Write Box "Z..Z.Z" 95 Bishopsgate, London, E.C.2, England.

Retain the Best

For many reasons it becomes necessary from time to time for investors to raise cash by selling part of their investment holdings. Experience shows that it is sound policy to retain the strongest securities in the portfolio.

Victory Bonds are the safest and best investment available to Canadians. Their real value has been proven through many decades. If and when it is necessary to sell securities, therefore, retain the best.

Hold Victory Bonds and Buy More

"There is no better investment than Dominion of Canada Bonds"

Mail and telephone inquiries receive prompt attention.

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Wood, Gundy & Company
Limited

CANADIAN BANK STOCKS

A booklet has been prepared, giving latest information on the Canadian Chartered Banks, together with a summary of the changes in the Bank Act.

A copy of this booklet will be gladly mailed upon request.

MIDLAND SECURITIES LIMITED

Huron & Erie Bldg., London

Dominion Bank Bldg., Toronto

WC P CO LIMITED

Sitting Tight?

No investment is good enough to forget. "Sitting tight" may sound conservative. Actually it may not be the best policy.

We strongly suggest that you revalue your investment holdings in the light of present day conditions. We shall be glad to assist you. List those securities you are doubtful about and send it to us for analysis.

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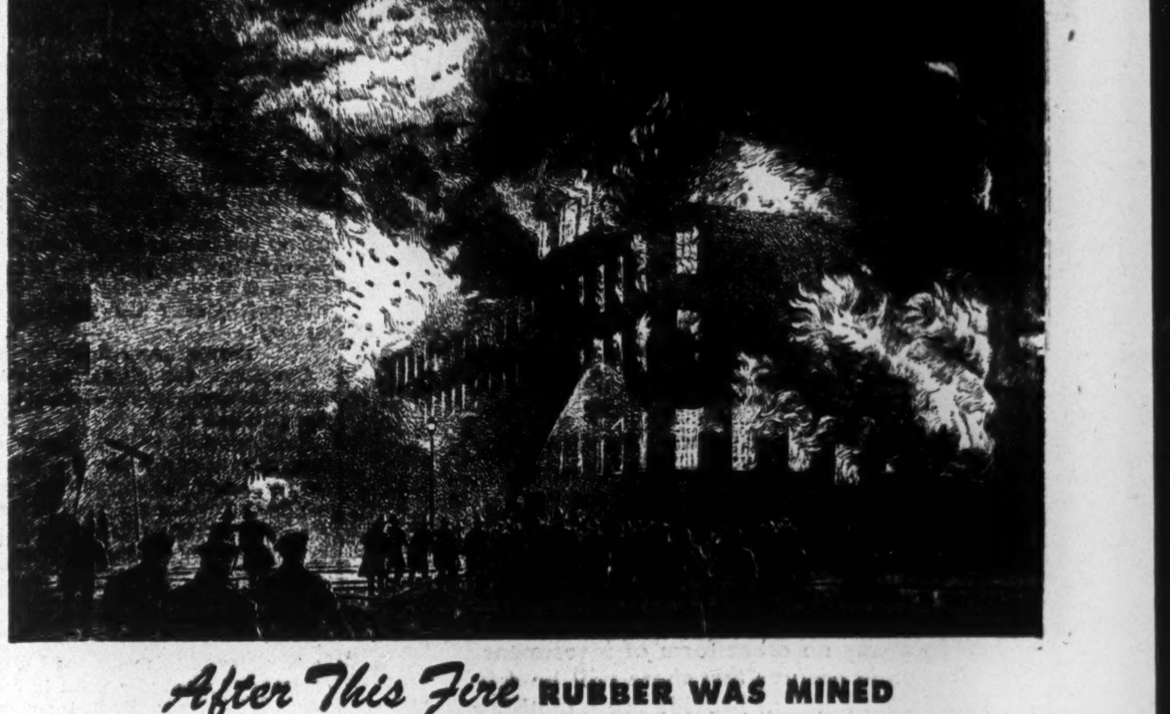

After This Fire RUBBER WAS MINED IN MASSACHUSETTS

Shortly before Jap bombs crashed into Pearl Harbor, a fire in Fall River gutted 30 buildings containing between 5 and 10 per cent of the nation's rubber supply... 18,000 tons of raw rubber.

"A total loss," the rubber experts decided.

But the insurance industry, realizing the nation's need for this priceless commodity, immediately launched one of the strangest and most successful salvage jobs of modern enterprise.

For 10 months, salvage crews working in three shifts with giant steam shovels "stripmined" the heat-softened rubber. And when they had finished the job, 10,000 tons had been rescued from the junk heap, ingeniously cleansed of debris and muck by live steam, and shipped to rubber manufacturers.

Through this wartime exhibition of enterprise, the insurance industry placed that "lost" rubber in fighting service on tanks, planes, jeeps, and Victory ships.

Since then, tons upon tons of leather, lumber, camouflage nets, canned foods, burlap and other front line priority materials have been salvaged by the insurance industry . . . a vital service to our nation at war.

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LOS ANGELES TIMES • PHILADELPHIA INQUIRER • SAN FRANCISCO CHRONICLE

More About PLASTICS

The lightness and toughness of plywood bonded with "Plaskon" Resin Glue make it a very desirable material for luggage construction. Furthermore, plywood can be moulded to almost any size or shape and can take plenty of rough treatment.

Luggage will be only one of the many post-war uses of plywood bonded with "Plaskon" Resin Glue, supplied in Canada by C-I-L. This synthetic glue has successfully tackled undertakings never before accomplished. It has formed a bond which is permanent, waterproof, is not attacked by either fungi or termites, is unaffected by long exposure to the sun and the elements, and the wood itself breaks down before the bond is weakened.

A copy of complete reference manual, "Plastics Supplied by C-I-L," will be sent to you upon request. Write on your firm's letterhead to C-I-L, Plastics Division, 904 Birks Bldg., Montreal, Que.

PF13

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Investment Dealers
Ottawa

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For five straight years we've been in a seller's market — taking orders — perhaps dodging them. When you have to get behind your sales problem again, will you sweat and push? It's an uphill job.

WE suggest engineering them
SALES

We have an engineering approach to this problem that is helping both larger and smaller organizations. Make the most of the time of your salesmen. Get the best business from each territory with the sales talent available. Give salesmen incentive.

We've had enough experience in helping sales managers to prove our worth, enough failures to keep us humble. Let's talk over the engineering angle on your sales problem. We believe we can help you NOW, in the planning time.

P. H. KEAYS AND ASSOCIATES
INDUSTRIAL CONSULTANTS
66 KING STREET EAST
HAMILTON, ONTARIO

INVESTMENTS THIS WEEK

Stock Split For Packers

Canada Packers Ltd. is considering subdividing its issued and outstanding 200,000 shares of no par value common stock into 1,200,000 shares of no par value stock. It is further proposed to classify the 1,200,000 shares into 400,000 shares of no par value Class "A" stock and 800,000 shares of no par value Class "B" stock. Shareholders will receive two shares of Class "A" stock and four shares of Class "B" stock for each share. Present stockholders will be asked to vote on this proposal at the annual meeting on Sept. 29.

The only difference between the Class "A" and the Class "B" stock is in the dividend provisions. Class "A" will be entitled to a fixed cumulative preferential dividend of $1.50 per share per annum payable half-yearly—April 1 and Oct. 1 commencing April 1, 1945.

Class "B" will then be entitled to receive a dividend not exceeding 75c per half year provided the current half-yearly dividend and all previous dividends on the Class "A" stock have been paid or provided for, but the dividend on the Class "B" shares will be non-cumulative whether earned or not.

After $1.50 per share has been paid or provided for on both the Class "A" and the Class "B" stocks in any fiscal year, they are to participate equally in any further distribution of earnings for the year.

On the basis of earnings for the year ending March 30, 1944, the dividend requirement on the new Class "A" stock would have been covered 2.81 times while $1.36 would have been earned on each share of new Class "B" stock (including the refundable portion of the Excess Profits Tax of $340,000 which is equivalent to about 42c. per share of Class "B" stock).

On the basis of the proposed capitalization, earnings on the new Class "B" stock would have been $1.26 in the 1943 and the 1942 fiscal years, $1.19 in the 1941 fiscal year, $1.33 in the 1940 fiscal year, $0.80 in the 1939 fiscal year, and 0.62 in the 1938 fiscal year.

The Class "A" stock is expected to sell on an investment basis in view of the coverage of its dividend. Dividend requirements on the Class "A" stock have been covered in every year since the company was organized in 1927 except the 1931, 1932 and 1933 fiscal years, after providing for the dividend on the previously outstanding 7% preferred stock.

On the basis of the present dividend of $4 per share, the new Class "A" stock would receive its $1.50 per share and the new Class "B" 25c. per share.

The present common stock of Canada Packers Ltd. is now the company's only outstanding security as the collateral trust serial debentures were entirely paid off on Jan. 2, 1944. The present stock has a 1944 high of $122 per share in August and a low of $90 a share last January and is currently selling about $115 per share.

• • •

Twin City Rapid Transit

Twin City Rapid Transit Co.'s plan for refunding its funded debt contemplates a further reduction of $1,989,000 in its outstanding bonds through cash purchase. Since Dec. 31, 1943, the company has bought in $558,500 of its bonds to reduce the total outstanding to $10,989,600.

The $9,000,000 balance is expected to be refunded through a $2,000,000 bank loan maturing serially over the next five years and bearing interest at the rate of 2.16% and of $7,000,000 of new 4% bonds maturing in 20 years and having a sinking fund which will start in 1950. Complete details regarding the refunding have not been worked out yet.

The new debt of $9,000,000 will show a decrease of $7,874,900 or 46.7% from the outstanding debt as at Dec. 31, 1938, of $16,874,900.

Interest charges on this debt will show a substantial reduction from the past year's interest charges and on the basis of the company's past record should be well covered by earnings. The depreciation allowance is well in excess of the bank debt's annual serial maturities of $400,000. The depreciation charge for 1943 was $1,487,454 and has been over $1,000,000 for a number of years.

It is hoped by those interested that once the bond refunding program is out of the way, the management will be able to make some arrangement regarding the dividend accumulation on the 7% preferred stock. Dividend arrears as at Dec. 31, 1943, on the 7% preferred stock amounted to $49 per share.

• • •

Brazilian Traction

Brazilian Traction common stock sold at its 1944 low of $20 per share on Sept. 7 and since then has only recovered slightly. The stock sold as high as $24.75 earlier this year. During the week ending Sept. 11 the number of shares changing hands increased substantially as compared with previous weeks—14,306 shares trading in the week.

Weakness in the stock is said to be due to fear of the internal political situation and to the fact that the company's operating expenses are rising faster than its gross revenues.

Brazilian army elements are reported to be gaining strength, to be restive and to be sympathetic toward the nationalistic program of the regime in Argentina. Foreign Minister Aranda, who was friendly to the United States, was recently forced to resign.

At the annual meeting this year President Sir Herbert Couzens said that it was the hope and intention of the Board to try and maintain the company's dividend. With earnings this year above those of last year another dividend payment in December is expected. It is hoped that this will be $1.00 per share.

Brazilian has been granted permission by Washington to go ahead with the addition of a unit to its Serra plant in the Sao Paulo area that will add 67,000 kw. or almost 90,000 h.p. to its capacity there. Progress on the new unit depends on steel priorities. Permission from the Bank of Brazil for transfer of funds to the United States in payment for the required equipment is reported to have been granted.

Work on the company's addition of a third unit of some 47,000 h.p. to the hydro-electric plant located near Rio de Janeiro is reported to be making good progress.

SECURITY IN THE NEWS

Canadian Canners Ltd.

Canadian Canners Ltd. common stock has doubled in value since Jan., 1944, recently selling at $16.50 which is its highest price since 1930. The second preferred stock has increased in price from $12 per share in January to sell currently about $17.50 per share, while the first preferred stock is selling around its year's high of $24 per share.

Dealers attribute the price action of these stocks to the company's good prospects for the future, to the increase in dividends on the second preferred and the common stock, and to the marked improvement in the balance sheet position.

At the above prices the first preferred stock yields 5.00% on the basis of a yearly dividend of $1.20 (and disregarding its $23 per share call feature); the second preferred yields 5.25% on the basis of a yearly dividend of 92c., which is noncumulative; and the common stock yields about 4.85% on the basis of an annual dividend of 80c.

Recently the company increased the quarterly dividend payable on its second preferred stock to 23c. per share from 20c. per share and the quarterly dividend payable on its common stock to 20c. per share from 12½c. per share. This has been a factor in the strength of these stocks. Holders of first preferred stock have been receiving the maximum dividend to which they are entitled—30c. per share per quarter—since April 1, 1940. The maximum dividend to which the second preferred is entitled is $1 per annum after which all further distributions shall be payable only to the holders of the common shares. For each additional cent paid on the second preferred up to this maximum, 2½c. per share must be paid on the common stock. Both preferred stocks are convertible on a share for share basis into common stock.

Earnings on the common stock in the last three fiscal years were as follows:

	1944	1943	1942
Earned†▲	$1.94	$2.09	$3.84
Earned†■	3.48	3.55	....
Earned†▲*	1.26	1.31	1.80
Earned†■*	1.69	1.71	....

†Maximum applicable to common stock after taking participation feature into consideration.

▲Excluding (■including) refundable portion of Excess Profits Tax.

*Assuming that all second preference stock was converted into common.

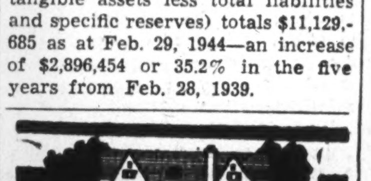
A recent amendment of the Excess Profits Tax Act allows companies to add to their standard profits an amount equal to 5% of the increase in capital employed between 1939 and 1944 resulting from retention in the business of the profits earned during that period. The company's standard profit basic will be increased by about $100,000, company officials anticipate. This change is stated to account, in part, for the recent increase in preferred and common dividends.

The company is having a larger pack in peas and tomatoes, it is stated, and expects better crops of peaches and fruit. It will pack more pork and beans as more tins will be available. The demand for canned goods is greatly in excess of the present supply.

The company recently gave notice that its outstanding 4% first mortgage convertible bonds due May 1, 1951, would be redeemed on Nov. 1, 1944, at 102 and accrued interest. This action wipes out the company's funded debt as these bonds are not being replaced with another issue. Redemption of these bonds could be accomplished from the company's own funds, it is stated, but it is anticipated that the company will borrow temporarily from the bank in order to maintain a strong liquid position.

The company's working capital amounted to $7,079,210 as at Feb. 29, 1944, an increase of $2,287,694, or 32.3% since Feb. 28, 1939. Fixed assets have increased $1,477,327 during the five-year period, but at the same time the general and depreciation reserve increased $2,140,516 to amount to 60.3% of the fixed asset account at Feb. 29, 1944, as compared with 50.8% five years previously.

The company's net worth (total tangible assets less total liabilities and specific reserves) totals $11,129,685 as at Feb. 29, 1944—an increase of $2,896,454 or 35.2% in the five years from Feb. 28, 1939.



A. E. LePage
REALTOR
HOUSES - APARTMENTS - FARMS
SUMMER PROPERTIES - COUNTRY ESTATES
ELgin 1464 • 320 BAY ST.

September Dividends Drop 11% from Year Ago

Dividend payments for Canadian corporations payable in September show a decrease of $2,756,904 from those payable in Sept., 1943, according to the preliminary estimate of The Financial Post. For the first nine months of 1944 this preliminary estimate shows dividends payable of $196,500,717 — an increase of $1,490,112 over the same period of 1943.

Monthly Dividends

	1944	1943
January	$21,013,084	$20,222,823
February	8,585,009	9,688,637
March	31,958,148	26,372,190
April	19,757,100	20,362,954
May	8,100,361	7,998,821
June	50,684,264	50,910,505
July	23,012,750	25,176,055
August	10,822,679	9,954,394
September	21,567,322	24,324,226
Total	196,500,717	195,010,605

Industrials and Utilities

Company	Rate $	Date	Amount $
Agnew Surpass	.50	1	40,000
Aluminium	2.00q	15	1,488,820
Do., pref.	†1.50q	1	118,494
Anglo-Can. Tel. (A)	.15q	1	73,065
Asbestos	.20q	30	120,000
Assoc. Breweries, c.	.25q	30	59,500
Barber Ellis	.12½	15	5,500
Bathurst Pr. & P.A.	.25q	1	100,000
B. C. Packers	.75	15	102,209
Bright, T. G., pfd.	1.50q	15	11,113
Bruck S. Mills	.10q	15	12,500
Canada Cement, pfd.	1.25q	20	251,086
Canada Cycle	.15q	30	30,000
Do., pref.	1.25q	30	11,527
Can. Cr. Stone	.10q	20	6,374
Can. Dom. Sugar	.20q	1	300,000
Canada Dry	†.25	8	153,789
Can. Found. Forg. A	.37½q	15	14,079
Canada Malting	.50q	15	99,486
Canada Vinegars	.10q	1	9,200
Can. Wire & Cable A	1.00q	15	29,668
Do. (B)	.25q	15	37,666
Do., pref.	1.62½q	15	40,625
Candn. Bakeries, pfd.	1.25q	1	11,413
Can. Celanese	.25	30	65,102
Do., extra	.25	30	65,102
Do., pref.	1.75	30	175,000
Can. Inger. Rand	.50	27	95,200
Cap. Wire Cloth. pf.	.38q	1	3,800
Circle Bar Knit.	.15q	1	3,844
Do., extra	.05	1	1,281
Corr. Paper Box, pfd.	1.75q	1	11,168
David & Frere A	.25q	30	5,750
Distillers-Seag., c.	.55½q	15	973,379
Dom. Envelope, pfd.	.87½q	1	3,614
Dominion Stores	.10q	20	28,001
Donnacona Paper	.25	1	94,143
Eastern Steel, c.	.25q	1	14,500
Eng. Electric A.	.25	15	10,649
Fanny Farmer	†.37½q	..	131,137
Famous Players	.37½q	30	161,446
Ford Motor A, B	.25q	16	414,740
Gt. W. Saddlery pf.	.75q	30	5,244
Do., 2nd pf.	.75q	30	868
Gatineau Power, c.	.20	30	332,496
Gen. Steel Wares, c.	.25	1	77,720
Hamilton Cotton	.22½q	1	18,000
Imperial Tobacco	.10q	30	945,103
Do., pref.	3%s	30	240,900
Imperial Varnish	.12½q	1	6,701
Do., pref.	.37½q	1	4,020
Kelvinator, c.	*1.00	25	100,000
Lake of W. Mill.	.30q	1	44,306
Do., pref.	1.75q	1	26,205
Laura Secord	*.20q	1	57,500
Loblaw Groc. A, B	.25q	1	207,089
Loblaw Groc. Inc.	†.20	1	69,698
Mackinnon Str. Stl. p.	1.25q	15	4,453
Marcus Loews, p.	1.75q	30	11,442
Massey Harris, pfd.	.62½s	15	302,247
Montreal Cottons	1.00q	15	30,000
Do., pref.	1.75q	15	52,500
Northwest Util. pfd.	1.50q	1	17,400
Nanaimo D. Util. p.	.81¼q	1	6,500
New Meth. Ldry. pf.	1.62½q	18	4,062
N.S. Light & Pr. p.	1.50q	1	36,450
Ogilvie Flour, pfd.	1.75q	1	35,000
Paton Manfg.	1.00q	15	10,000
Do., pref.	1.75q	15	10,500
Photo. Eng., c.	.50	1	15,000
Price Bros. pf.	1.37½q	15	86,409
Regent Knit. pf.	.40q	1	6,400
Reliance Grain, pf.	▲4.87½	15	97,500
Reliance Grain, pf.	1.62½q	15	32,500
Rolland Paper, pfd.	1.50q	1	22,500
Russell Indust.	*.30q	30	28,260
Do., pref.	*1.75q	30	13,265
Sarnia Bridge	.25	15	10,250
Simon & Sons	.15q	28	4,507
Do., pref.	1.75q	28	4,635
Toronto Elev. pfd.	.65½q	7	17,219
United Grain (A)	1.00	1	144,739
Do. (B)	.25	1	15,766
Walker-Good.	1.00q	15	724,004
Do., pref.	.25q	15	140,204
West Can. Hydro	.20q	1	10,762
Woods Mfg.	.50	30	55,254
Total			9,469,548
Mining Companies			
Aunor Gold	.05	1	100,000
Buffalo-Ankerite	.05	18	35,080
Central Patricia G.	.03q	30	75,000
Hallnor Mines	.05	1	100,000
Hollinger Cons.	.10	30	492,000
Inter. Nickel, c.	†.40	30	5,833,610
Lake Shore Mines	.20q	15	400,000
Macassa Mines	.04q	15	133,903
McIntyre Porc.	.55½q	1	442,890
McK. Red Lake	.02	16	58,700
Noranda Mines	1.00q	15	2,239,772
Perron Gold	.02	30	40,000
Proprietary Mines	.05	8	45,974
Waite Amulet	.20	1	660,000
Total			10,576,929
Oil Companies			
Four Star Pete.	.01	28	10,000
Royal Crest Pete.	.01	28	9,500
Stuart D. Oil, pf.	.20q	1	7,793
Do., extra	.25	1	9,742
Sunset Oils	.01	15	16,300
Vulcan Br. Pete.	.01	28	4,499
Total			57,834
Financial			
Bank Can. Nationale	1.50q	1	105,000
Bank of Montreal	1.50q	1	540,000
Bank of Toronto	2.50q	1	150,000
Can. Int. Inv. Tr. p.	▲.75	1	11,290
Confederation Life	1.50q	30	15,000
Dom. & Anglo Inv. Corp. pf.	▲1.25q	1	15,902
Dom. Scot. Inv., pf.	.50	1	24,568
Indust. Accept. pfd.	1.25q	30	18,750
Montreal Loan	.31¼q	15	7,500
Provincial Bank	1.25q	1	50,000
Royal Bank	1.50q	1	525,000
Total			1,463,010
Grand Total			21,567,322

q—Quarterly. s—Semi-annually. †N.Y. funds. ▲On arrears. *Subj. app. F.E.C.B.

CANADIAN GOVERNMENT BONDS

BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

SALES EXECUTIVE WANTED

Experienced in hardware — heating equipment, or major appliances i.e. — washing machines, refrigerators, radios, etc. Age preferred 35 to 45. Must be good public speaker, experienced in mass or group selling and training. Good appearance. Must meet public easily — Good salary — Old established firm. Excellent prospects. Give all particulars, experience, salary required in first letter and enclose recent photograph. Apply nearest Employment and Selective Service Office. Refer H.O. 1342.

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400,000 PAY ENVELOPES go to market

"Payday" is a *big day* for the POPULAR FICTION GROUP'S more than 400,000 reader families! 79% of these families are in the wage-earner class — with the majority employed in the industrial field, earning more now than since 1929. That's why they march to market eager and *able* to buy.

Are you getting your share of their spending? There's only one way to be sure . . . place your advertising in the magazines Canada's wage earners buy month after month and read from cover to cover . . . the nineteen favorite fiction magazines in the POPULAR PUBLICATIONS group.

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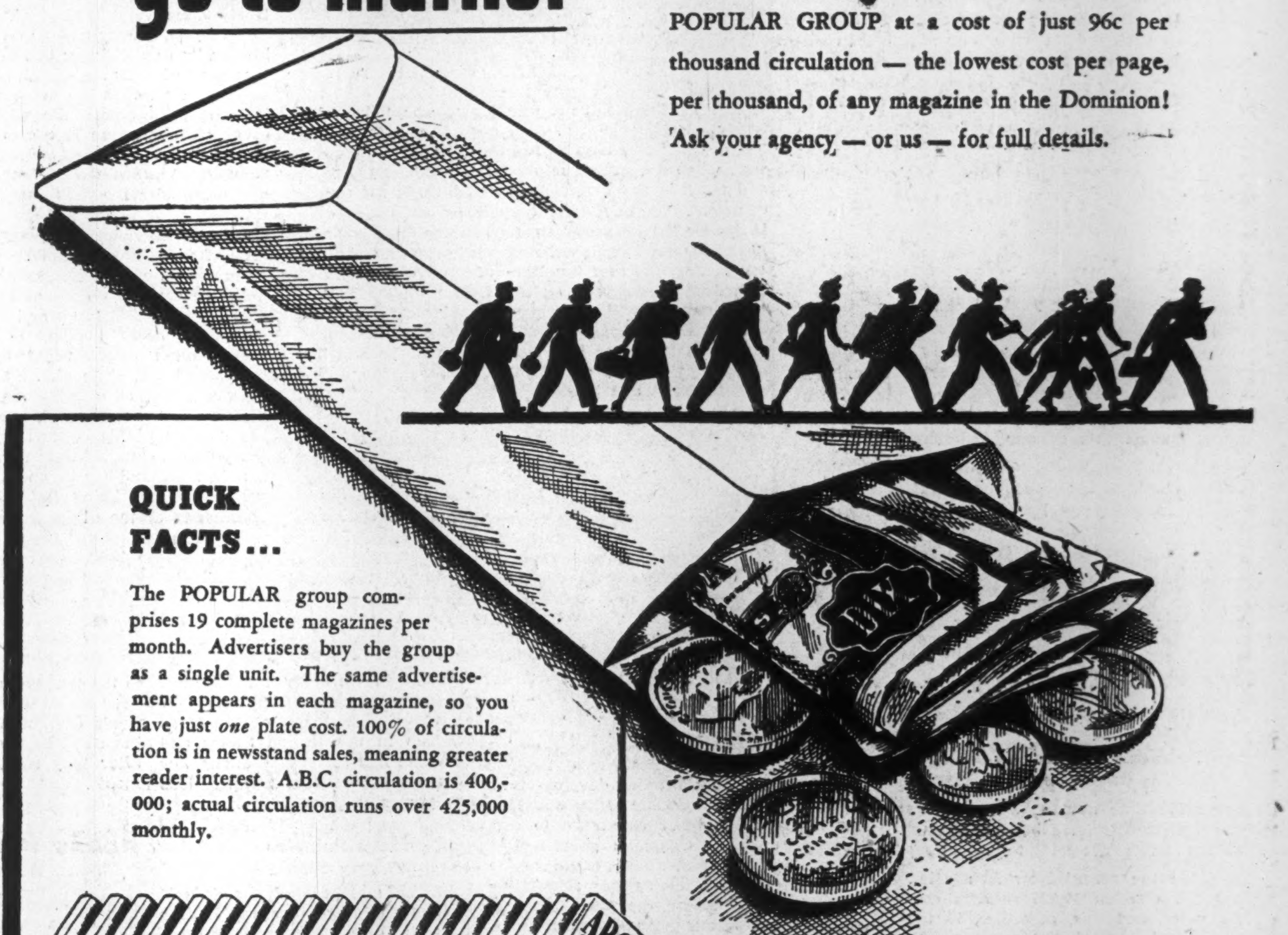

QUICK FACTS . . .

The POPULAR group comprises 19 complete magazines per month. Advertisers buy the group as a single unit. The same advertisement appears in each magazine, so you have just *one* plate cost. 100% of circulation is in newsstand sales, meaning greater reader interest. A.B.C. circulation is 400,000; actual circulation runs over 425,000 monthly.

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These Debentures having been sold, this advertisement appears as a matter of record only.

ADDITIONAL ISSUE

$800,000

Canadian Breweries Limited

(Incorporated under the laws of the Province of Ontario)

4½% Serial Debentures

(Secured by First Mortgages)

Dated July 1, 1943

To mature $400,000 on July 1, 1961
and $400,000 on July 1, 1962

Principal and half-yearly interest (January 1 and July 1) and redemption premium, if any, payable in lawful money of the Dominion of Canada at par at any branch in Canada (Yukon Territory excepted) of the Company's bankers designated in the Debentures as paying agent for this issue. Redeemable as a whole or in part at the option of the Company at any time prior to maturity on thirty (30) days' notice. If part only of the Debentures are to be redeemed by call such redemption shall be made in order of maturity beginning with the earliest maturity then outstanding and no Debentures shall be called for redemption while Debentures of any earlier maturity are outstanding; and such redemption must include all and not part of any maturity so to be redeemed. Redemption prices are as follows: 103 up to and including July 1, 1948, thereafter decreasing ¼ of 1% for each year or fraction thereof up to and including July 1, 1955, and thereafter at 101 prior to maturity, in each case with accrued interest to the date of redemption. The Company may at any time purchase for cancellation Debentures on the market or by private contract at prices not exceeding the current redemption price. Coupon Debentures registerable as to principal in Toronto or Montreal in interchangeable denominations of $1,000 and $500. These Debentures to be issued under trust deed dated as of July 1, 1943, and indenture supplemental thereto.

Trustee: National Trust Company, Limited.

In the opinion of Counsel these Debentures will be a legal investment for funds of Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932, (Dominion) as amended.

PRICE: 101 and accrued interest, to yield over 4.40%

All legal details in connection with the issuance of these Serial Debentures are subject to approval by our Counsel, Messrs. Fraser, Beatty, Palmer & Tucker, Toronto, who are also Counsel for the Company.

It is expected that Definitive Debentures will be ready for delivery on or about September 15, 1944.

Burns Bros. & Denton Limited | **W. C. Pitfield & Company Limited**

The Editorial Page . .

The Minority Shareholder

Have minority shareholders a legitimate complaint when, without any previous knowledge whatever, they get an announcement that the controlling interest in a company has passed into different hands?

Certainly there is no question of the legality of the operation. There is nothing to prevent A who owns controlling interest selling his stock with the result that B acquires control of the company.

As a stockholder, A can do as he pleases. But as manager representing all stockholders A cannot. He is in a position of trust. He is the servant of all the shareholders. Whether alone or acting in concert with a group of directors, the company manager's responsibility is to shareholders — all shareholders.

What is the management? What is its business record? Which is its moral strength? Those are the most important, the first questions to answer in all investment decisions.

But when management and controlling stock interest are lodged in the same person, a nice problem in business ethics arises.

This point is raised in the sale of the controlling interest in Western Grocers by a group headed by W. P. Riley to W. Garfield Weston interests. In this case, loud protests from minority interests have come to The Financial Post from many sides.

The gist of all the protests is that the Riley interests, as the management, should not have sold without advising shareholders immediately and letting all shareholders participate in the same stock deal as the controlling management interest.

It is admitted that consultation with all shareholders would not likely change the majority opinion as to acceptability or otherwise of a deal involving change of ownership. But all complaints reaching The Post very strongly take the position that at least management should give minority shareholders an opportunity equal to that of the majority interest in participating in the stock sale deal.

In the Western Grocers case it may be argued that sale of control to Weston in no way damages, may even benefit, the minority still left holding Western Grocers shares.

That currently is the stock market interpretation. Western Grocers stock has been moving higher.

Nevertheless, the principle of full and prompt disclosure by management of all facts vitally affecting the company and all its owners is, it must be admitted, morally right.

Top Hat Bank Advertising

In a recent issue of Editor and Publisher there is a useful little sermon on bank advertising in the United States which also applies with considerable force to Canada. Here it is:

> "Here are the headlines and opening paragraphs of two advertisements that appeared in the same issue of an Ohio daily. The first said: 'Quick loans; get $25 to $300 by tomorrow.' Continuing the advertisement stated: 'Loans made to both men and women, single and married in all types of employment. Loans for vacations—just phone.'
>
> The other advertisement run by an old commercial bank read, 'A checking account simplifies your bookkeeping. Avoid confused personal and home financing problems by taking advantage of the benefits gained from a special checking account, etc., etc.'
>
> Then this sentence, 'This is the only safe, convenient way to handle personal finances.' Then followed the bank signature.
>
> Which advertisement do you suppose got action?"

In this country we are justly proud of our banking institutions which came through the great depression of the thirties without a single casualty. But in one respect many of these and similar financial institutions have made little attempt to talk to the average customer and especially the potential customer in language that is understood. Their advertising tends to be either a dignified top hat, label sort of display or complicated statements involving terms that only an experienced banker can fully, readily comprehend.

Our Canadian banks might well emulate the example of some of our other great merchandising institutions which offer wares or services in advertising designed to make those wares and services attractive and fully understood. By doing so, the banks would not only be doing their customers a good turn but they would also be breaking down much of the present stiffness and lack of understanding that exists between the banking profession and the general public.

New Problem — New Challenge

Canada must face up to the fact that completely changed trade conditions are ahead in the peace years to come. During the past five years we have been utilizing (and depleting) our natural resources to the maximum degree possible, to produce war materials, and to take care of food and other requirements of our Allies.

The extent to which our natural productive efforts have been for emergency wartime needs is revealed in a survey by C. D. Blyth, Dominion Bureau of Statistics, in a recent issue of the "Commercial Intelligence Journal."

Dr. Blyth estimates that, of the total $421.5 millions exports to foreign countries other than the United States, less than $35 millions represents ordinary commercial trade, and most of this is made up of our exports to South and Central American countries. Likewise, of the $1,166 millions total commercial exports to the United States, he estimates that only $780 millions are exports of a normal commercial character, and a good part of this is probably connected with war activities.

"It is possible," says Dr. Blyth, "that not more than a quarter of the present total of exports represents normal established commercial trade."

In any event, it is clear that the end of the war will bring drastic changes in our foreign trade.

For sound, permanent future trade development, Canada must recognize that she must encourage enterprise, keep costs down, quality up, and above all, aggressively merchandise abroad.

Has Served Its Purpose

In December, 1941, the Dominion Government placed a 25% excise tax on household appliances such as electric stoves, washing machines and refrigerators. The objective was to check the purchase and production of goods that we could do without until war demands were satisfied.

Industrially, we are now reaching the point where that demand is going to be satisfied and the time has arrived when the 25% impost should be reconsidered. As output of guns and ammunition gradually tapers off, there will be available for the manufacture of household appliances increasing quantities of labor and materials. The fact that all over Canada these appliances have been wearing out rapidly in the last three years assures a huge market.

Those factors could be combined to aid materially in an orderly conversion from war to peace, but the 25% tax is the stumbling block. Soon it will have outlived its usefulness if that point has not already been reached. A definite announcement of its early removal should be forthcoming so that the appliance manufacturers can make specific production plans.

Mr. Howe Contradicted

In the recent House of Commons debate on air line policy Mr. Howe intimated that authority of the U. S. Civil Aeronautics Board regarding route applications was confined to recommendations only, that power remained entirely with the political executive, a set-up which the Minister favored strongly for Canada. Said Mr. Howe:

> "My honorable friend says that this (the Howe bill) differs from legislation in the United States. That is not so. In the United States the Authority considers applications from airlines and makes recommendations to the executive power. The executive power may accept such recommendations or refuse to accept them, but the power in the United States is in the executive, and not in the board."

In the current issue of American Aviation, Wayne W. Parrish states flatly that Mr. Howe is in error. He says:

> "It is understandable how an aviation official in a country even as close to us as Canada can be misinformed on the provisions of the Civil Aeronautics Act. But Mr. Howe should not appear before the House of Commons and hold himself up as an expert. The truth is that the Civil Aeronautics Board has the final decision on all domestic route applications. Only decisions on applications for foreign routes must be approved and signed by the President, and this is largely to give the Department of State an opportunity to assert itself in such decisions. There are other assertions by Mr. Howe that are not according to the law or the facts. Mr. Howe should read the Civil Aeronautics Act before he seeks to make comparisons."

It's your turn now, Mr. Howe.

Editorials in Brief

A good look at ourselves and a gracious introduction to the Canadian people is provided by a nice little handbook just produced by the IODE for "war brides" —women of other countries arriving here to join or await fighting husbands. Charlotte Whitton does the job with her usual intelligence, vigor and sympathy.

• • •

"The Quebec Liquor Commission can continue to supply the consuming public with reasonable rations of alcoholic beverages," modestly boasts a recent QLC advertisement, "owing to its policy of foresight and sane administration." We are none too hopeful that such a brief statement will be unanimously accepted as complete explanation for 80 ounces a month in Quebec compared with 13 in adjacent Ontario.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

What Peace Terms for Germany?

Briefed below is a recent leading editorial from the London Economist, well known British weekly, which has been arguing for a "moderate" peace on the ground that this is the only kind that can be enforced with any hopes of permanence.

There is a policy for Germany. Even though it has not yet been officially announced, semi-official statements, declarations from the smaller Allies, rumors and press reports all point toward a peace with indemnities, reparations, annexations of territory and transfers of population.

The most important annexations foreshadowed in the reports cover East Prussia, part of which, with Koenigsberg, is to go to Russia, while the rest, together with large slices of Pomerania and Silesia, is to be Poland's share. Parts of western Germany are, it seems, to be annexed to France, Belgium and Holland. In some areas the annexations will be accompanied by massive transfers of the German inhabitants either to Germany or to forced labor abroad. Although the precise terms are not yet known, there can be no doubt that they add up to a Carthaginian peace.

The aim of a peace treaty, Carthaginian or otherwise, is above all to avoid the recurrence of war. Other aims enter in—the punishment of the guilty, the reversal of injustice, the restitution of damage done—but the primary purpose is unquestionably the prevention of further war.

Let us assume that the provisions are fulfilled. All round Germany, fringes of entirely German land have been transferred to Germany's neighbors. Its population, which will still be some seventy millions, will have been swollen by refugees from the lost borderlands. The country may be economically crippled or militarily weak, yet its sense of outrage and grievance will lead it to devote its entire national energies to undoing the peace.

It follows, therefore, that the peace will have to be maintained by force—and force, means, literally, the victors' readiness to go to war, whatever article of the treaty may be violated. The need to use force will not, of course, be apparent in the first years after this war, when the victors might be most ready to use it, and when in any case Germany will lie in the slough of defeat. The need for force will be compelling only in ten or fifteen years' time when the Germans will have recovered sufficient strength to open a campaign for recovering, say, the Rhineland or Westphalia or Pomerania. It should be noted, in parenthesis, that the Germans will not choose the largest and most controversial issues first. They will raise the points singly in the hope that the peace will be whittled away singly, each concession weakening the Allies' will to resist and increasing the crisis of confidence in the Allied camp. They will hope to repeat the Ruhr crisis of 1923 before moving on to a repetition of the remilitarization of 1935 or the re-entry into the Rhineland of 1936.

Nothing in the recent history of the United States or Great Britain suggests that they are incapable of repeating the mistakes of the interwar years. After this war two distinct trends of opinion in both countries will weaken the two nations' determination to enforce all the treaty, all the time. The first is isolationism, tending unconsciously toward pacifism.

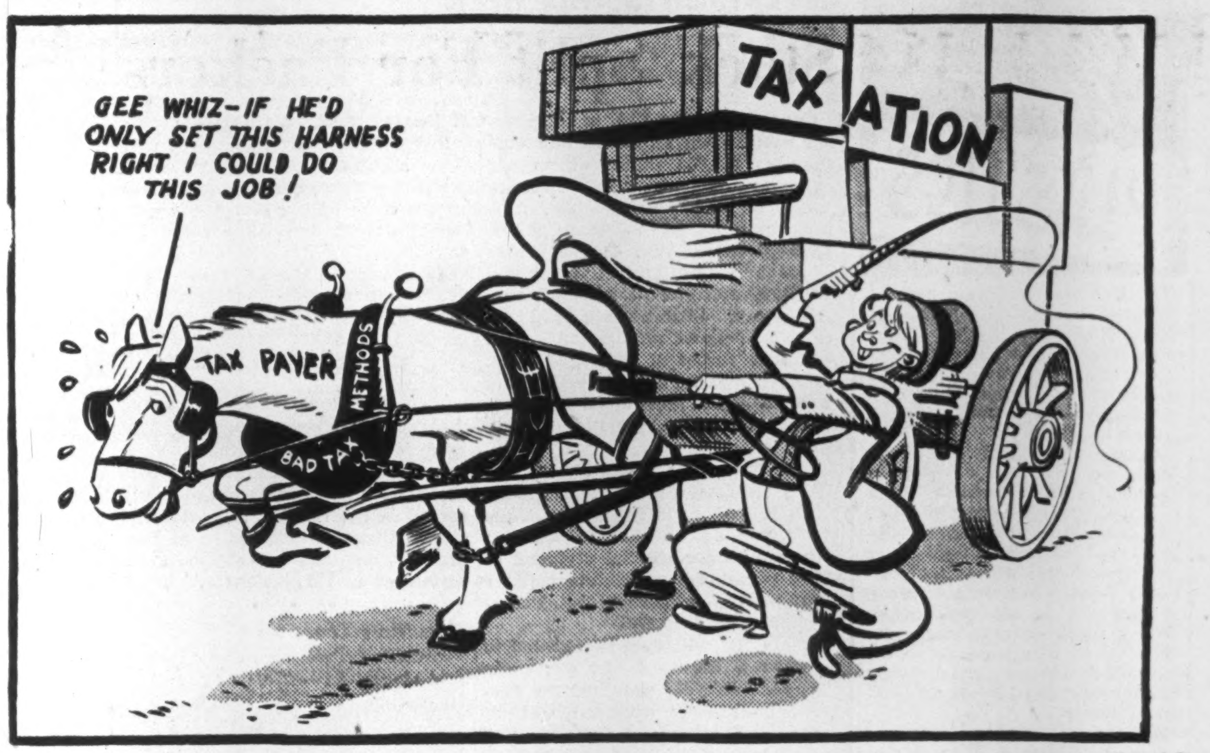
The other stream of thought is idealist and liberal. Far from being isolationist, statesmen and publicists in this group would be profoundly interested in Europe and, by 1955, profoundly disturbed by the "harshness and injustice" of the Allied settlement. Their conscience would be stirred by Germany's at first very moderate appeals for revision. They would, very possibly, support the German appeal.

It is true that some supporters of a Cathaginian peace believe the co-operation or nonco-operation of the two great Western Allies to be of no great importance. They argue that Russia will maintain the stiff peace, in company with the smaller European Powers, if possible with the support of the West, but if necessary alone.

Given the still rather suspicious attitude which the great Allies adopt toward each other, is it not much more likely that Russia, faced with British and American temporizing or counsels of moderation, would suspect, not weakness or isolationism, but a deep plot to woo Germany? If so, Russia's obvious move would be to forestall the supposed western conspiracy by making its own terms with Germany.

Thus would be reproduced the 1939 position, with the German's once again swinging the balance of European politics and once again profiting by the disunity of their enemies to revive the struggle against them one by one.

It is supremely necessary to insist that this is not a question of being kind to the Germans. The question is whether the treaty will work. An unenforced treaty is the worst kind of all. It may be sound policy to love your enemy and go on loving him, or to kick him and go on kicking; but to kick him and then let him get to his feet is certainly the least sound of all policies. Nor, once the process of revision starts, can it be stopped before the whole structure of world order founded upon it comes crashing down. Moderation is something very different from leniency. A "moderate" peace would include the punishment of war criminals. It would include a period of physical reparation. It might include some frontier rectification in the East where exchanges, as opposed to transfers, of population would be possible. For all these, enforcement will be forthcoming. What is more, it is probable (but by no means to be taken for granted) that both the American and the British peoples will accept the heavy burdens of permanently enforcing the absolute disarmament of Germany, which is therefore a moderate aim. Such a peace, concentrating everything on disarmament, would stand a chance of securing the full and, if need be, armed support of the western peoples even after 20 years of peace. If the German campaign for revision has to begin with a naked demand for bombers and tanks, it stands a good chance of being resisted by even the crassest isolationist or the blindest idealist.


GEE WHIZ- IF HE'D ONLY SET THIS HARNESS RIGHT I COULD DO THIS JOB!
TAXATION
TAX PAYER
METHODS
BAD TAX

THE HORSE THAT TALKS

Cartoon by Grassick.

Post-Scripts . . . .

He Gets Around

When Bert Butler packed his bags a few days ago and went off to New York as Canada's trade commissioner and consul, he typified the outward trek of trade envoys which is now reversing the enforced homecomings of 1939 and 1940.

He also became a part of the new dual role which Prime Minister King described a few weeks ago by saying:

"A consulate general has been established in New York and the arrangements there are working out in a satisfactory manner. the office of the consulate general (Hugh Scully) embraces the trade commissioner's office and the consulate service proper. The trade commissioners in the office have been given the consular rank and perform consular functions in addition to their usual duties. It is expected that the experience gained in New York will be of value in the event that it is decided to open up consular offices at other points."

MR. BUTLER

B. C. Butler thought he was going to be a teacher. One of his many summer and midterm jobs when he was at Queen's University was to come back early to his home town of Hamilton, and earn $5 or $10 a day as a "substitute" either at a public or high school.

But that all changed when J. C. MacGillivray, now Canadian trade commissioner at Cape Town, and then a senior at Queen's, got Butler and J. L. Mutter (now at Cuba) interested in the Trade Commissioner Service. From then on, the goal was a berth in Canada's world-girdling trade embassies.

There weren't any vacancies in the service when Butler graduated from Queen's in 1928, so he linked up with Bell Telephone Co., one of his employers in college days. The first summer that he worked for Bell, he had been, as well, a playground supervisor at night, and caretaker for a tennis club in the early morning. Butler still wakes at 6.30 a.m., hangover from the early morning caretaking and the fact that he delivered morning papers from the time he was 11 until his third year in high school.

Trade commissioner exams came along in November, 1928, and Butler's application was aided by the fact that he had spent several summers in Northern Ontario on commercial survey work among French speaking people, which gave him an added string to his bow. By March, 1929, he was a full-fledged junior trade commissioner and shortly after headed for Java where he took up his first assignment at Batavia.

In 1934, he opened Canada's first trade commission post at Singapore, ran both this and the Batavia office until a depression closed the latter in 1939.

After the fall of Singapore, he opened a new Canadian office at Los Angeles, where he stayed 2½ years until recalled to Ottawa as director of the export section, Shipping Priorities Committee. This job he has held until this month when he was sent to join Hugh Scully at New York.

Mr. Butler was married in 1933; has two children. His wife comes from Milwaukee. She was picked for the American Olympic swimming team the year she met her husband.

Efficiency Shrinkage

It is rather a proud boast of P. Lorne Young, newly-named assistant deputy-minister of National Revenue, that the department of government with which he has been connected for over 30 years is shrinking, not expanding.

At its peak, the customs branch of the Department of National Revenue boasted 725 branch offices throughout Canada. Today it has only 450 offices and hasn't stopped shrinking yet. Shrinkage, in the sense of customs offices means, as a rule, increased efficiency of operation. That is possible, partly because the Canadian system differed very fundamentally from the U. S. customs. Our view is that the U. S. system of arranging entry through local customs brokers is cumbersome. In Canada, goods are brought into the country under bond to Customs Collection centres. This cuts down the need for as many offices, tends to be more efficient, easier and less costly for the customer.

MR. YOUNG

Lorne Young, a native of Charlottetown, P.E.I., entered the department 32 years ago in the days when the Hon. John D. Reid was Minister. He had just then been appointed City Editor of the Charlottetown Guardian, having been in newspaper work in that city since he was in his teens. Then two opportunities came his way—one to be sports editor of the Fort William Herald; the other to be associated in the Customs branch at Ottawa. He chose the latter and for many years held the questionable honor of having to take dictation as a stenographer from the Minister, Dr. Reid. Dr. Reid is still talked about with awe by those who remembered him. He was given to much profanity on occasion and could be roused to a high state of excitability on the least provocation.

Mr. Young's work and interests have been largely centred on customs administration for the past 25 years. In 1927 he was made secretary of the Customs Division of the Department; ten years later, general executive assistant.

One hobby is flying. With J. A. Wilson, now Controller of Civil Aviation in Canada, Young and four others made a memorable trip in 1924 in the open cockpit of an old Veronica. Lorne Young's connection with the Ottawa Football Club also goes back many years. Currently his chief recreation is bowling.

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Socialist Adviser

A round-faced 26-year-old college professor, a professed socialist, who became head of the economics department of Brandon College at 23, has been asked to shape and guide the general economic policies of the new CCF government in Saskatchewan.

He is Thomas Hector M. McLeod, one of seven youths Premier T. C. Douglas persuaded to attend Brandon College, University of Manitoba, in the fall of 1937. His job is economic advisor to the executive council of the Saskatchewan Government, and as such he is the first appointee to the economic planning board Douglas promised to establish during the recent election campaign which swept the CCF into power.

MR. McLEOD

"Tommy" McLeod and "Tommy" Douglas are from the same town in Saskatchewan, Weyburn. When Douglas arrived in that community to accept the call of minister at the Baptist Church here, "Tommy" McLeod was a lad of 14. But he was a mature youngster, and he liked to discuss current topics with other boys. When Douglas organized boys' sports and study groups he found an enthusiastic supporter in "Tommy" McLeod. During the study groups, the various problems of Saskatchewan were discussed and argued over, and economic and political suggestions were put forward to cure the ills of the west.

McLeod finished high school in 1936, in Weyburn, winning Grants Scholarship for history at Queens University. But he was a little fed up with school and thought he would like to work for a while. During the next 12 months he did odd jobs, including a short term on the staff of the New Era, a budding socialist paper.

Writing, however, did not attract him as much as the study of economics so he went to Brandon College, the alma mater of Douglas himself. During his first year McLeod specialized in history, one of his strong points during his high school days. His original intention was to switch from history to theology, but as the years passed his interest in economics became stronger, and he decided to specialize in this subject. He graduated in 1940 and then went to Indiana University to study monetary theory and finance The next year McLeod planned to go to Wisconsin University on a fellowship, but instead went to Brandon as professor of economics and sociology. He was then 23. Immediately after the election of the CCF Government in Saskatchewan the young college professor was approached by Premier Douglas. He was released by Brandon College, but the door was left open should he ever desire to return to the teaching profession.

He says, "By profession I am an economist and by interest a socialist. When these two factors are combined you get a different slant than most economists."

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As Others See Us . .

Research is Vital

Brantford Expositor

Commenting on the general agreement expressed with regard to Navy Minister Macdonald's demand that the Royal Canadian Navy be adequately maintained after the war, The Financial Post says various plans are also afoot to retain a number of present-day war plants as peacetime arsenals.

This would appear logical from the point of view of preparedness and security, but, as The Financial Post says, a still more important requirement is scientific research. In this respect, the Toronto paper points out, Canada entered the present war far behind her enemies. "We kept on losing the war until we did apply research. The real story of our victory is in the story of research, of applied science."

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Sayings of the Week

"Those who can, do. Those who can't, teach."—*Bernard Shaw.*

• • •

"If we become pessimistic in our thinking, we shall have lost the peace before we have won the war. There is no reason for pessimism. The people of Canada have demonstrated that they have the skill, the brain and the brawn to tackle any situation which destiny may have in store for our country." — *Donald Gordon.*

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Other People's Views . . . .

The Canadian Editorial of the Week

Soldiers and the CCF

The Ottawa Journal

For some time now Socialist orators and propagandists have been telling us that "the soldiers are going to vote CCF."

Well, in the recent New Brunswick provincial election 12,625 soldiers cast their votes, and this, according to the official tabulation, is how they cast them:

For the Prog. Conservatives..	5,325
For the Liberals	5,055
For the CCF	2,245

No one knows, or can know, how members of the armed forces are going to vote. What every sensible person must know is that the Socialist claim about their overwhelming preference for the CCF is just trumped-up nonsense.

What The Papers Are Saying . . . .

Right Move

Regina Leader-Post

One of the most encouraging developments in the field of domestic policy was Labor Minister Mitchell's disclosure to parliament that the Canadian government has launched a fact-finding enquiry into combines and cartels as they affect or are likely to affect the Canadian economy. That there is pressing need for such an investigation has been obvious for some time.

Growth in the power of cartels, which are in effect international trading associations with monopolistic aims, was proceedingly rapidly in the years before the war; and since the war more and more has become known about the widespread operations of these great restrictive organizations.

Cartels had reached a high state of development in Germany for instance, with their tentacles reaching pretty well around the world. Some of the large corporations in the United States and Great Britain had cartel affiliations, nor has Canada been free from the operations of these powerful organizations.

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MP's Salaries

Calgary Herald

Should the members of the federal House be excused from paying income taxation on their indemnities, there would be an immediate demand from members of all the provincial legislatures that they should be similarly favored, and it would be difficult to deny the justice of their claim.

The most direct method of meeting the situation of an underpaid House of Commons is to increase the sessional indemnity of $4,000 and grant no immunity from income taxation. But, it is first necessary to demonstrate conclusively to the taxpayers of Canada that there is need for a higher indemnity. Many hundreds of thousands of other Canadians have had hard sledding during this war after they meet their income tax payments.

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Books for Businessmen

CURBING INFLATION THROUGH TAXATION. Tax Institute, Inc., New York. pp. 261. A symposium.

This is a collection of some 18 speeches and papers by tax experts on various aspects of the problem. Much valuable material here for Government fiscal authorities, advisors and students.

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REVOLUTIONS IN RUSSIA: THEIR LESSONS FOR THE WESTERN WORLD, by F. R. Treviranus. Musson Book. $4. pp. 303.

The author is a former member of the Reichstag, cabinet minister of Germany under Bruening, refugee from Hitler's killers, and until recently a farmer in Ontario. This broad international experience in business and public affairs, plus deep scholarship, fit Mr. Treviranus particularly well to do an authoritative, level-headed report on the downfall of the old Russia, the evolution of the new. The volume has enjoyed highest praise from U. S. reviewers.

Russo-phobes and Russo-philes will both be disappointed and frequently angered. For the others, this is just about the most balanced portrayal available.

• • •

Stop Me If . . . . .

A minister was lecturing his 16-year-old daughter about snobbishness.

"Remember," he said, "we are all of the same mold."

"Yes," replied his hopeful, "but some are moldier than others."

1941 Remains Base For Prices

(Continued from page 1)

particularly numerous and severe in respect to metal articles but they also cut across many other industries. These orders, you will recall, were imposed in some cases to supplement the physical control of the materials concerned, and to help in directing labor to essential uses. In other cases orders were issued to bring about a standardization or simplification of products in the interest both of conserving material and lowering costs.

Since these restrictions on manufacture were originally introduced, however, more positive methods for diverting materials and labor into wartime production channels have been developed.

Metals Allocation

For example, by scheduling and allocating the production of metals at the mill, the necessary requirements of war production and essential civilian supply can be safeguarded. In the same way National Selective Service procedures for conserving and directing labor so as to make most effective use of our manpower resources have been steadily developed. In view of these developments, it is now thought that under present-day circumstances the rather awkward technique of imposing restrictions on the manufacture of nonessential civilian goods as a means of safeguarding the needs of essential war and civilian production can be rapidly eliminated.

Perhaps I should add that there was a further compelling reason for the original imposition of these restriction orders. Our arrangements with the United States to obtain quotas of various materials and components required for the production of many items made it necessary for Canada to give an absolute and visible assurance to the United States control agencies that such materials and components were being controlled as strictly in Canada as in the United States.

In recent months, however, the wartime agencies in the United States have begun to relax the severity of end-products controls and have introduced a system of "spot authorizations" in the War Production Board, designed to facilitate reconversion and to minimize the risk of unemployment as war contracts are reduced or cancelled. And just a few days ago the United States also announced its intention of removing almost all of its controls over materials just as soon as Germany is defeated.

In Canada the control authorities had already decided that a system of decontrol which involves, as the "spot authorization" system does, the very extensive use of specific permits for the manufacture of specific things is not necessary in this country, because our manufacturing community is on a much smaller scale, and because other forms of primary controls can accomplish all that is now required. Our procedure can, therefore, be more direct. As I have already indicated, we shall relax the various end-product controls by simply revoking from time to time those orders which prohibit or limit the manufacture of end-products. A public announcement of the cancellation of a series of orders, affecting the metal fabricating industries, is being made today.

We are revoking immediately a group of fourteen orders, each of which has hitherto prohibited or restricted the manufacture of various end-products made of metal. The two orders which will probably be of most interest are, first—Administrator's Order No. 579, which prohibits the production of nearly 500 sundry metal articles, and Order No. A-610, which restricts the manufacture of certain small electric appliances for domestic use.

In addition to these cancellations, we are also revoking forty-three orders covering standardization and simplification of products in the metals field. We feel that these particular orders have achieved their purpose and that their retention might now interfere with reconversion planning by industry. It is not expected that industry will abandon all standardization practices worked out in wartime; there will be many which may be found to be of long-term benefit and which might be retained voluntarily. But the initiative will be restored to industry itself in the case of these particular orders.

Retain Key Orders

For the present, the Board will maintain most of its orders which involves the really important use of metals and components still required in the war program. Following upon the defeat of Germany, however, there will be a general cancellation of practically all of this Board's remaining controls over the production of end-products made of metal, including those which require imported components. This step is in line with the procedure recently announced in the United States. In the meantime, the Wartime Prices and Trade Board will continue to collaborate with the Department of Munitions and Supply and the Wartime Industries Control Board so that other orders concerning metal end-products may be revoked just as quickly as war needs appear to justify.

Orders restricting the production of goods were a barrier to the resumption of production on any basis; accordingly they should be removed as soon as the circumstances appear to justify this course. So long as such controls are in force they mean that industry must look to Government, both for the permission and the initiative to decide what kind of articles could, or should be produced. In turning to peacetime production it would, in my judgment, be impossible for Government agencies to make the decisions which primarily belong to enterprise. Obviously, the major responsibility for deciding what goods should be produced, and the market possibilities for their sale, must rest with enterprise.

Board Won't Guide

The procedure just outlined makes it abundantly clear, of course, that it is **not** the responsibility of the Wartime Prices and Trade Board to guide industrial production through the reconversion period, and that the Board will **not** attempt to re-establish or maintain pre-war competitive positions as the production of items hitherto prohibited is commenced. Some opinions have been expressed that wartime controls should be continued for the purpose of delaying the resumption of peacetime production until every manufacturer is ready to start to reconvert from war production. There have also been suggestions that certain restrictions should be retained in order to prevent what is described as "wasteful competitive practices."

The Prices Board takes the view that its activities in this field are dictated by the emergency conditions of a wartime economy, and that it is not appropriate for the Board to continue any orders or regulations which have the effect of restricting competition when the emergency conditions have passed.

On the contrary, the interests of the people of Canada will be seriously prejudiced unless the Board clears away as soon as justifiable all regulations which might prevent civilian production from taking up the slack when war production begins to decline. The broader field of reconstruction and rehabilitation in the transition period and later is, of course, a question of major Government policy and will, in accordance with custom, be announced from time to time by the appropriate ministers of the crown.

"You're on Your Own"

Before leaving the subject of restrictive orders I should make one very important distinction between the type of production which is now being released from control and the type of production for which the Board will still have to accept responsibility so long as shortages continue. The Board will **not** ask for the allocation of any materials or labor to ensure the production of the items now being released from restriction. Consequently, their manufacture can be resumed only as materials and labor become available in excess of other more essential demand. It should be emphasized that the Prices Board has been concerned to obtain an adequate flow of essential needs for the civilian population, and when supplies become surplus the Board's responsibility in this field comes to an end.

However, when any essential goods continue in short supply, the Prices Board will still have a responsibility to see that production is **adequate** and that distribution is **fair and equitable**. For example, **by means of production directives, and by arranging for yarns and fabrics under domestic and import allocations, the necessary civilian supplies of textiles will be kept up to the best of our ability.** In the metals field the Board will continue **as long as it will serve any good purpose,** to arrange production programs with industry to ensure supplies of such things as agricultural machinery, washing machines, hospital equipment, certain types of household appliances and so on. To do this the Prices Board will continue to claim upon the Controllers of the Wartime Industries Control Board for the necessary minimum of raw materials, and upon National Selective Service for the appropriate labor priorities. Claims will also continue to be made upon the control agencies outside Canada, notably in the United States, for the necessary supplies of component parts.

Word of Caution

Now no one should jump to the conclusion that we are planning or think it possible suddenly to release all the wartime controls of the Prices Board. The removal of certain of the controls over manufactured metal goods under the jurisdiction of the Prices Board is merely a first step, but it is being taken early, rather than late, both as an earnest of our intention to remove other restrictions when they have served their purpose and, also, to encourage manufacturers and others to advance their plans for postwar production. The Board is determined that all restrictions, in its field of jurisdiction must be removed well in advance so as to remove any possibility that their continuance might prevent the maximum use of production capacity and labor.

Remember, however, that in spite of the removal of some of these restrictions the supply situation with respect to some civilian items may get worse, rather than better, and in some fields there will clearly be shortages for some time yet. At the moment, it looks as if most metals may become easier, and most of the food supply will probably be all right. But we aren't quite so sure about some textiles and certain paper products, to give a few examples.

It would be foolish to assume that civilian production can be resumed in every plant just as fast as war production declines. Retooling and reorganization will take time. The supply of materials or components cannot always keep pace with demand. There will be bottlenecks in reconversion just as there were when Canada first converted its industry to war. It is, therefore, still a time for self-restraint and careful buying on the part of the consuming public. In fact, I would like to say again what I said on the radio a couple of weeks ago. To get through this fall and winter without the inconvenience or hardship caused by shortages of this and that, it is up to all of us not to buy more than we need and not to expect the impossible with respect to the supply of various goods and services. If people buy more than they need for their current requirements, they may be preventing other folk from getting what they actually need.

Postwar Prices

So much for that phase of the situation. The other question is of equal if not greater importance. It is the question of what is the wisest procedure to follow in pricing the sort of products that will be returning to the civilian market after an absence of perhaps two or three years or more. This, of course, raises the whole question of the form and methods of price control. As I said earlier, I do not think it necessary to review the reasons for the Government's policy of price control, and the benefits of the policy so far have been self-evident. For the first time in any war our price level has been stabilized. Today, our cost of living index shows a rise of 18% since the beginning of the war, compared with 65% in the same period of the last war. During the past year the index has shown practically no change and August 1, this year, shows a slight decrease over the corresponding month last year, being the first time that has happened since the beginning of the war.

Despite this encouraging record we must remain alive to the fact that the basic causes of inflation are still with us. Heavy war production, manpower shortages, insufficiencies of civilian goods, swollen purchasing power are still apparent. Some of these dangers will be reduced as production for war falls after the defeat of Germany, but others may take their place, even though only for a short period. It may be assumed that so long as war with Japan continues, a considerable part of our economy will remain diverted to war and there are likely to be shortages and bottlenecks to handicap expansion of civilian output.

Expects Price Rise

Even if Japan were defeated shortly after Germany we could not assume that civilian production would immediately fill the gaps left by the curtailment of war production. Reconversion takes time and some materials and components will remain scarce longer than others, causing unpredictable shortages and maladjustments of supply.

Moreover, the pent-up consumer demand of civilians and demobilized servicemen and women is likely to search eagerly for articles and goods to replenish shortages developed during the war in the wardrobe and in the home. We may well be in a period of "trickle" production of many articles which have been scarce or off the market, with keen competition for the early supply backed by accumulated purchasing power. Relief demands for liberated areas of the world may be large and export demands generally may make heavy drafts upon some supplies in our market. War-inflated costs can be expected to cause pressure for higher prices as production swings from war to peace, and higher prices abroad may complicate the problems of Canadan price control.

It is possible, too, that speculative pressures will find greater scope in the uncertainties of demand and supply following the reopening of peacetime markets. These possibilities are widely discussed and perhaps they can be over-emphasized. Working in the opposite direction will stand the major and pervading influence of sharply reduced expenditures for war, which, given time, would certainly break an inflationary boom. The danger of a general upsurge in prices may not last for long, but, in my opinion it is a definite risk in the early stages of transition. While I do not believe it wise to emphasize too strongly the comparison with conditions after the last war, nevertheless, it is well to remember that the worst part of the inflationary rise took place during the 18 months after the armistice—a rise which was followed by an even more abrupt and disruptive **deflation.**

The Wartime Prices and Trade Board must consider all three possibilities in trying to determine the most appropriate administrative techniques to use in the further-

(Continued on page 10)

Business This Week

	Aug.	July	June	May	Year Ago
Financial Post Production Index	....	250.2	248.5	255.3	256.0
National Income, D.B.S. (c)	...	....	....	....	*2,581
Dom. war expend. (millions $)	....	281.0	298.1	52.9	261.7
Dom. total revenue (do.)	....	252.5	233.8	281.5	201.6
Dom. total expend. (do.)	....	503.2	383.5	139.5	327.4
Dept. store sales index no.	....	156.9	143.2	160.0	144.7
■Retail sales index no.	....	168.8	170.1	169.1	155.5
■Wholesale sales index no.	....	179.6	190.0	195.2	174.5
Country store (% change pr. yr.)	....	+9.4	+9.3	+8.7	+14.9
Divd. payment index♠	129.9	129.9	129.3	128.4	124.2
Bank deposits (1935-39=100)	....	....	208.1	183.4	183.4
Cash and cheque pay. index	....	....	....	262.5	213.3
Bank debits (1935-40=100)	....	....	....	224.5	183.0
Money supply (c)	....	....	....	5915	4,878
NEWSPRINT % OF CAPACITY—					
Production ratio	....	....	66.7	68.3	69.6
Shipment ratio	....	....	72.4	71.8	72.7
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S., index)	....	192.9	224.4	221.3	191.7
Cars (D.B.S. index)	....	150.0	155.5	159.6	142.5
COST OF LIVING—					
D.B.S. index	....	119.0	119.0	125.0	123.8
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	....	178.2	178.2
Manufacturing	....	....	....	225.2	222.9
Payrolls (June 1/41=100) (b)	....	....	....	145.2	138.5
■Payrolls (1937=100) (a)	....	212	222	210	225

RAILWAYS—	1944	1943	1944	1943	Change
			Jan. 1 to date		%
■Carloadings (week Sept. 2)	73,136	69,796	2,429,736	2,270,026	+7.0
■C.P.R. gross (week Sept. 7)	$ 6,269,000	5,786,000	201,537,000	181,322,000	+11.2
C.N.R. gross rev. (June)	$ 37,389,000	39,260,000	213,579,000	210,484,000	+1.4
C.N.R. net rev. (June)	$ 8,435,000	9,368,000	40,983,000	44,935,000	—9.1
C.P.R. gross rev. (June)	$ 26,656,986	24,698,217	154,575,055	136,231,531	+13.4
C.P.R. net rev. (June)	4,538,457	4,421,437	22,680,415	21,203,162	+6.9
IRON AND STEEL—(June)—					
Pig iron production (tons)	166,004	151,369	1,115,527	1,019,158	+8.7
Steel production (tons)	234,418	250,508	1,747,001	1,749,661	—1.0
CONSTRUCTION—					
Contracts awarded (July)	$ 32,228,100	16,166,900	184,965,800	118,293,700	+47.9
Building permits (July)	$ 12,878,145	9,910,304	75,983,343	45,185,921	+67.5
Cement prod., bbls. (May)	738,795	705,544	1,783,619	2,174,353	—12.1
AGRICULTURE—					
Flour prod., bbls. (June)	1,870,349	1,855,461	12,177,355	12,159,615	+0.1
Cattle sales▲ (June)	89,011	87,876	612,297	402,130	+30.1
Hog sales▲ (June)	610,127	542,301	5,165,721	2,697,624	+69.0
SEA FISHERIES—‡					
Catch, cwts. (June)	1,077,739	1,053,131	4,040,508	3,969,233	+1.1
Landed value (June)	6,428,365	5,459,086	16,174,722	14,326,987	+11.2
NEWSPRINT—					
Production, tons (July)	244,406	262,323	1,724,845	1,705,993	+1.1
Exports, tons (July)	249,979	284,216	1,626,700	1,645,208	+1.1
MINING AND OILS—					
■Coal prod., tons (July)	1,170,696	1,387,993	9,556,953	10,285,144	—7.1
Gold rec. (fine oz.) (June)	239,916	326,839	1,522,797	1,972,700	—12.2
Petroleum prod., brl. (June)	824,507	826,119	4,631,112	4,929,969	—1.1
ELECTRICAL POWER OUTPUT—(July)—					
Total monthly 1,000 kw.h.'s	3,149,328	3,411,697	23,678,493	23,685,919	+1.0
FOREIGN TRADE—♦					
Imports† (July)	148,452	150,883	1,012,981	990,567	+1.0
Exports† (July)	278,713	303,645	2,024,980	1,581,408	+13.0
OTHER INDUSTRIAL FACTORS—					
Shoe prod., pr. (June)	3,037,239	2,824,027	18,155,303	17,344,805	+1.4
Cotton consump., lb. (May)	14,656,680	14,223,466	74,198,737	78,810,778	—5.8
Cigarette cons. No.† (July)	881,888	820,512	2,275,823	2,072,375	+10.9
FINANCE—					
Bank debits† (June)	$ 5,219,352	4,349,609	29,927,014	25,467,386	+17.5
Bond sales† (May)	$ 73,784	1,438,201	1,676,497	3,273,529	+48.7
Life insurance sales (July)	$ 52,196,000	51,228,000	379,104,000	332,103,000	+11.4

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▲Total at yards and plants. ■New items for week.
♠Supplied by Nesbitt Thomson & Co. (c) 000,000's omitted. ♦Gold excluded
(a) Compiled by Canadian Bank of Commerce. (b) All industries.
*Cumulative 4 months. °Excluding Northwest Territories.

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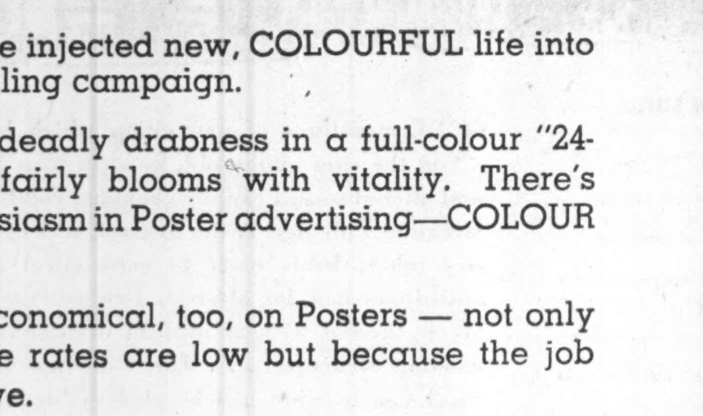

POSTER ADVERTISING ASSOCIATION OF CANADA
80 RICHMOND ST. W., TORONTO

War and Business

Air Excursions When?

Postwar air excursion tickets to European battlegrounds from New York at under $200 return—mentioned informally in aviation circles a few months ago—look now as if they might be realizable though not for a while yet.

Continued preoccupation of U. S. airlines with their military contract operations, domestic and oceanic, is emphasized by latest log reports of the two biggest, American and United.

American Air Lines reports an all-time high in its military operations under contract to the U. S. Air Transport Command—1.6 million miles flown in July, bringing the total mileage flown by the company for the Army to 27.6 millions since spring 1942. Atlantic crossings in the month numbered 419—averaging above 13 a day—bringing the total Atlantic crossings since spring 1942 to almost 3,500.

United Air Lines, for its part announces a total of 21.9 million miles flown for the same customer and period, including Alaskan and transpacific with the domestic flights. For the first half of this year alone the total is given as seven million miles.

* * *

Railway Radio Network

Radio communication was introduced to Canadian railroading recently when the CNR, in cooperation with Canadian Marconi Co., began tests of transmitter-receiver equipment developed for this war's tanks. Two locomotives—a Diesel and an electric—operating in the electrified Montreal terminal area, were equipped to receive radioed instructions to engineers instead of the customary written train orders and signals.

British mainline railway companies have built up a complete radio network, providing communication between the various centres of the railway system, as safeguard against breakdown of other means. The installations include 42 fixed radio stations and 40 mobile stations. Tests on trains with radio-telephony equipment have established the practicability after the war of the traveller conversing with his office or home during a railway journey. A few weeks ago Sir Charles Newton, LNER's chief general manager, while travelling north in a specially equipped train, talked with Sir Ronald Matthews, chairman of the line, in his office at a London terminal.

* * *

Electronics in Granaries?

Electronic technique goes on widening its horizons after victories in war, medicine, communications, a growing range of manufactures and in pure science. Right now it is beginning to interest grain elevator operators and induction heating as an insecticide may play an important agricultural role after the war in combating the granary weevil and grain borer.

Ontario Hydro-Electric Power Commission's monthly magazine Hydro News reports a claim that electronic protection of stored grain will be faster, cheaper and much more effective than present methods—mechanical, gas and electric—which are regarded as troublesome, uncertain and expensive.

Here's how electronic protection works. The grain on a fast moving conveyor, passes between two metal plates which are electrified with high frequency current. The kernels in less than a minute's exposure are heated by induction to 130 deg. Fahr., a process which destroys all traces of insect life without affecting the food value of the grain itself. Insect pests take a costly toll in Canadian elevators every year.

* * *

What Hotels Will Buy

Hotels in Canada—all the way from 6-room establishments to those of more than 300—will be big postwar buyers of construction, plumbing, heating, air-conditioning, refrigeration, electric fixtures, kitchen equipment, roofing, decoration, floor coverings and furniture, according to Canadian Hotel Review after an independent nation-wide survey.

More than half the participating hotels indicated intention to repaint throughout; exactly half were interested in carpeting, 26.8% in linoleum, fibre tile and terrazzo and 21.4% in hardwood flooring whether in contemplated building additions or as replacements. Furniture rated high, with 44.6% planning guest room outfitting, 25% beverage room tables and chairs, 21.4% dining room and 17.9% rotunda furnishings. Plumbing installation was specified by 40% with smaller establishments planning to equip at least a few of their guest rooms with complete bathrooms in place of running water alone. Only 19.6% signified intention to undertake heating installations but 17.9% said they planned air conditioning. (Many hotelmen who said "no" to this question added that they expected radical advances in methods and equipment and were deferring their plans accordingly.)

* * *

U. S. Labor's Cutback Vote

U. S. war contract cutbacks may be subject to consultation with the workers affected. National labor organizations will be notified by the War Production Board, it is reported agreed tentatively, when the army or any procurement agency gives notice of intention to cut back. Labor will advise on which plants should be cut back and how much.

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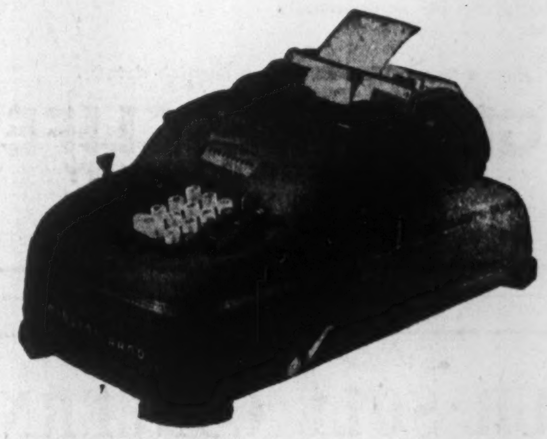

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HEADS NEW GROUP

George E. Goodfellow, Brantford, Ont., president of the newly formed Ontario Wholesale Farm Equipment Association. He is Cockshutt Plow Co.'s Brantford branch manager.

7,200 Rounded Up By NSS Dragnet

More than 7,200 men not in good standing under mobilization regulations have been dredged up from 36,000 doubtful cases reported by employers in a national checkup, according to NSS Director Arthur MacNamara. They will face military examiners and then be drafted for military training or transferred to priority employment.

Seek Law Like Britain For Marine Insurance

Canadian Bar Association Urges Uniform Legislation by Provinces Patterned on British Act — Underwriters Seek Action

Enactment of a uniform marine insurance act by the various provinces of Canada similar to existing British legislation is being sought more vigorously in Canadian insurance and legal circles. At the annual meeting of the Canadian Bar Association in Toronto recently adoption of a uniform act was urged in a report submitted by a special committee of the association: Lucien Beauregard, K.C. Frank Wilkinson, K.C., and C. Russell McKenzie, K.C.

Although Canada at present does a tremendous volume of trade by inland water and sea routes—involving marine insurance on cargoes and hulls—there is no Dominion-wide law regulating this branch of the insurance business.

Because the regulation of the insurance contracts has been regarded in recent years as coming exclusively under provincial jurisdiction the Dominion Government has shown no active interest in the matter. Three provinces, British Columbia, Nova Scotia and New Brunswick have specific marine insurance acts while in Quebec the civil code contains a special chapter dealing with marine insurance.

In other provinces; any dispute on marine insurance would be dealt with by a Canadian court according to the general laws of contract—the common law. Accordingly it is necessary to know what the common law of England as it affects marine insurance was when the common law was adopted by the provinces. Great Britain herself in 1906 adopted the British Marine Insurance Act which repealed all existing marine insurance legislation. But Canadian provinces which years ago adopted the common law of England and have not repealed its provisions are still bound by it. The British law of 1906, of course, has no effect in this country except as a matter of reference.

The result of this, the bar association report states, is that "it is at times extremely difficult for anyone to know exactly what is the law on marine insurance in these various provinces. Moreover the modern decisions cannot with any certainty be referred to unless it could be clearly demonstrated they are in accordance with the common law of England as it existed when it became the law of these various provinces."

Examples of the difficulties that arise are seen in former British laws now repealed as far as Britain is concerned, but in effect as part of the common law in certain Canadian provinces.

In 1745 the Parliament of Great Britain adopted an Act called the Marine Insurance Act 1745 to prohibit wagering and reinsurance. Thus reinsurance was prohibited in Great Britain until 1865 when it was legalized. Consequently the report states it may be that in certain of the common law provinces with no marine insurance acts of their own, reinsurance may be prohibited, while it is a well-known fact there is reinsurance in almost every marine insurance contract.

Then in 1788 the Marine Insurance Act was passed in Great Britain requiring the name of the assured to be inserted in all policies, while in 1868 another Act, The Policies of Marine Insurance Act was passed providing for the assignment of policies and empowering the assignee to sue in his own name. It is inferred that prior to the adoption of this Act the assignment of policies was prohibited.

It is believed that if the common law of England, now in force in the provinces that have no marine insurance laws of their own, is the common law as it existed prior to 1868, there cannot legally be any reinsurance or assignment of policies. In actual practice there is reinsurance of almost every marine insurance risk and policies are assigned to consignees of goods covered by the contract in almost every case where the policy is taken out by the shipper.

Thus in five provinces marine insurance appears to be operating under the common law of England including Acts passed as long ago as 1745 and actual practice does not seem to be in accordance with existing law.

Accordingly there is considerable agitation in marine underwriting as well as legal circles that up-to-date insurance laws should be passed in provinces having none and that these be as uniform as possible.

The probable early ending of the war, it is urged, is a reason why legislative action should be taken at the earliest possible date.

Life Insurance at Work

Case Histories of the Results of Wise Insurance Buying Based on Actual Cases — Names Altered

THE PROBLEM

A young man, aged 30, unmarried, was living with his widowed mother. She had a small income of her own but he contributed enough each month to give her many comforts she would otherwise have had to go without. She needed an operation to relieve her of a painful condition which he intended her to have as soon as the money was available and a convenient time came. Sometimes he worried about what would happen if he died. He had been unable to accumulate much capital and had little to leave her.

THE SOLUTION

He took out $3,000 whole life insurance. He realized that the policy contained a war clause, according to which, if he enlisted in the army and died outside the home area or within a period of six months after his service abroad had terminated, without paying an extra premium, the insurance company would pay only the amount of the total premiums paid in, plus interest at the rate of 3% per annum. But he took the insurance just the same, thinking that even if he did join the army he would like to have it after the war, when he might not be insurable. Shortly after he enlisted and after the usual period of training was put on duty in one of the home areas. Here while on duty about a year later he met with an accident and was killed.

THE RESULT

The mother received the full $3,000 which enabled her to have the operation she needed and gave her some extra money to enable her to make such changes in her method of living as were necessary. Thus while she no longer had any financial assistance from her son, her health was greatly improved as a result of the operation made possible by the son's insurance while she also had a substantial amount of surplus cash for emergencies.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

External Affairs—Pierre Dupuy, former chargé d'affairs to the Allied governments in London, chargé d'affairs to the Canadian embassy in Brussels.

Soo Line — H. C. Grout, former general manager, C.P.R., president, R. E. Davies, executive assistant; R. L. Simpson, general manager; J. B. Donnelly, comptroller; R. S. Claar, Industrial and Real Estate commissioner.

C.P.R. — T. G. D'Arcy district claims agent for Alberta.

C. P. Telegraphs—Fred V. Robin, general agent of communications, Calgary; C. D. Hatch, general agent of communications, Edmonton.

C.N.R. — A. M. Kirk, passenger traffic manager, Toronto; W. E. Norton, assistant passenger traffic manager, Montreal.

UNRRA—L. B. Pearson, Canadian minister to Washington, appointed Canadian member of the council.

External Affairs—B.C Butler, Ottawa, trade commissioner and consul at New York.

C.B.C. — Dr. Augustin Frigon, general manager.

Trenton Industries—R. C. Logan, general superintendent.

T. Eaton Co. Maritimes Ltd.—H. P. Parkes appointed to the merchandising executive staff in Moncton.

Canadian Authors' Association—R. S. Kennedy, Montreal, president.

Federation of Automotive Dealers of Canada — Fred Chorley, chairman of the northern Alberta section.

Ontario Municipal Association—H. A. Webster, Windsor, president.

Canadian Society of Cost Accountants & Industrial Engineers—E. J. Loiselle, Montreal, president.

Sorg Pulp Co.—Hugh M. Lewis, manager.

Canadian Federation of Hatcheries—W. H. Brett, president.

Royal Military College—Brig. D. G. Cunningham, commander.

Defense Headquarters—Maj.-Gen. M. A. Pope, military staff officer to Prime Minister Mackenzie King, military secretary to the Cabinet War Committee and members of the Chiefs of Staff Committee; Maj.-Gen. H. F. G. Letson, commander, Canadian Army Staff, Washington, and chairman of the Canadian Joint Staff; Brig. A. E. Walford, adjutant-general; Brig. H. A. Young, quarter-master- general; Brig. R. B. Gibson, vice-chief of the General Staff; Brig. D. J. MacDonald, inspector-general for Central Canada.

Ontario Wholesale Farm Equipment Association—George E. Goodfellow, manager of the Brantford Branch, Cockshutt Plow Co., president.

Department of Trade & Commerce, External Trade Advisory Committee—Paul Goulet, associate director of National Selective Service, labor representative.

Northern Machine & Tool Co.—George H. Johnson, general manager.

Dominion Coal Co. reports production in August totalled 279,176 tons compared with 281,792 tons in August, 1943. Output for the past eight months totalled 2,399,825 tons against 2,511,849 tons in like period of 1943.

Ask Insurance Men For Case Histories

As an aid to the layman in solving his insurance problems, The Financial Post is running on its insurance page weekly a case history giving a specific instance of the intelligent use of insurance. These cases are genuine ones, although names and such details as might lead to identification are changed. Underwriters who have had interesting cases in point are invited to send them in for publication, addressed to the Insurance Editor, The Financial Post, 481 University Ave., Toronto 2.

Public Utility Earnings

Jamaica Public Service

Month of July	1944	1943	Inc. %
Oper. rev.	130,373	121,718	7.1
Gross inc. after retire. & res. accruals	31,533	32,461	*2.9
Net inc.	22,284	23,778	*6.3
12 mos. end. July 31:			
Oper. rev.	1,523,777	1,309,091	16.4
Gross inc. after retire. & res. accruals	376,534	330,423	13.9
Net inc.	271,769	225,429	20.4

*Decrease.

The subsidiary companies' figures included in this statement have been converted from pounds sterling at the rate of $4.86 2/3 to the pound.

Brazilian Traction

July:	1944	1943	% Incr.
	($000)		
Gross earnings	4,940	4,508	9.59
Oper. expenses	2,300	2,057	11.80
Net earnings	2,640	2,451	7.74
Seven Months Ended July:			
Gross earnings	33,003	29,380	12.33
Oper. expenses	15,769	13,294	18.61
Net earnings	17,234	16,086	7.14

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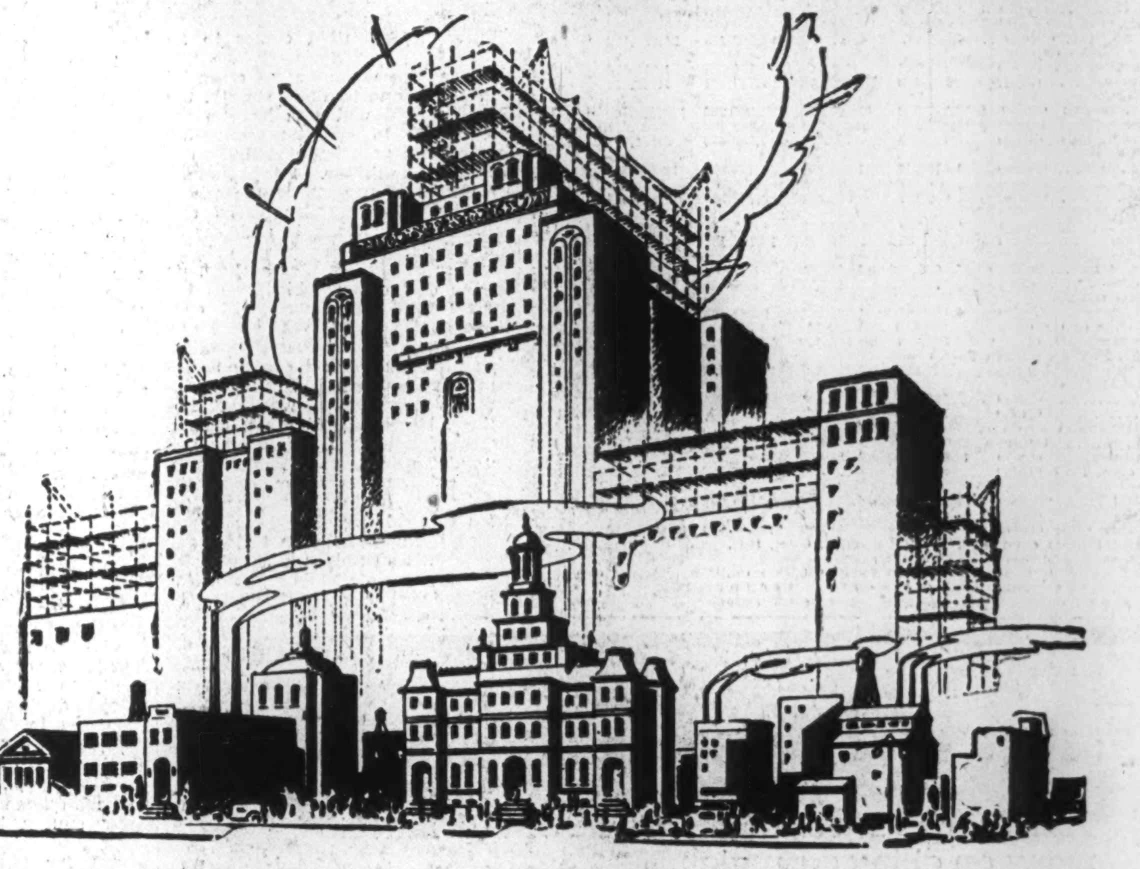

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THE WASHINGTON LETTER

Quebec "Call" May Whip U.S. Back To Crisis Mood for War on Japs

By LAWRENCE SULLIVAN

WASHINGTON.—Four major developments in Federal administrative policy this week signalize the quickened pace of Washington's preparation for the end of the war in Europe—and an immediate intensification of the climactic effort in the Pacific. The week's developments, coincident with the Quebec Conference, set off a wave of liquidation in the financial and commodity markets which, in stocks, registered new lows for the secondary decline which began in mid-July. Clearly, the financial community is switching from a war market to a peace position.

The War Production Board led off with announcement that the end of the war in Europe would result in an immediate cutback of 40% in war production. This would release 4 million workers and enable the Board to relax all material controls promptly, save those essential to maintain production for Pacific operations. Briefly, any manufacturer would be free to accept civilian orders, subject only to the possibility he may be required to set them aside for a war priority. This announcement also carried the unequivocal declaration that allocations of iron, steel and copper would prevail only to the end of the quarter in which Germany surrenders.

Manpower Plans Unveiled

Next, the War Department published its manpower demobilization plans for the interim between the end of the war in Europe and the defeat of Japan.

"The Pacific theatre will have No. 1 priority. All else must wait. To it will be transported millions of fighting men, millions of tons of landing barges, tanks, planes, guns, ammunition and food, over longer supply lines than those to Europe . . . The Army, therefore, will not be able to return all surplus men to the U.S. immediately. It may take many months."

Where surplus pools of military manpower are developed in Europe, discharge priority will be granted to men with dependent children, next to those with long service overseas. All of these separations, of course, will be over and above the current medical discharges, which have been averaging something more than 100,000 per month.

The third revision of policy was announced by the War Manpower Commission, which directed all its regional managers to encourage expanded civilian production in every possible plant. This announcement promised early abandonment of the prevailing employment referal plan, under which all male applicants must be cleared and assigned through the federal employment offices. Repeal of this directive would mean that a plant engaged in war work could retain its same working force for peacetime production. Under the "referal system" workers in one plant are assigned to more pressing jobs in other plants.

Defense Plants For Sale

Fourth, the Defense Plants Corporation, government holding company for the federally-financed munitions plants, announced that bids would be received forthwith for the sale of such plants, with the present operators to have first chance at each plant.

Since 1940 the Government has invested some $23 billions in new war plants, for both construction and tools. The long-term policy, as set forth in the Baruch Report last February, will be to place these plants in the hands of private capital, under sales agreements which will enourage postwar employment.

On the civilian side came announcement from OPA that 17 canned and processed food items (but not including meats) would go off the controlled distribution list effective Sept. 17. This announcement coincided with news from London that the lights would go on again in England on Sept. 17 for the first time in five years; and the formal statement of Duncan Sandys that the Second Battle of Britain had ended in a complete victory over the robot bomb.

All this news has conspired to create a buoyant atmosphere of victory from coast to coast, much of which will need be undone if the Quebec Conference is to be wholly successful in its primary purpose—to gird the nation anew for another year of war in the Pacific.

In no small degree, the necessities of the presidential campaign have dictated the sudden outburst of end-of-the-war news. But there is real danger that the encouragement thus offered to national morale may run away with itself. The coming fortnight will tell whether President Roosevelt, through the Quebec Declarations, can bring the country back to a "crisis" state of mind to hold until November.

Experiment in Forestry

The first comprehensive report on Wisconsin's School Forests, begun as a State University experiment in 1928, discloses some 14,000 acres now in systematic cultivation, under the management of 212 scattered school districts. Each school uses the nearby tract as a forestry laboratory, combining constructive work with recreational activities. Through the Federal Forest Products Laboratory at Madison, the site of the State University's School of Forestry, the school forests are integrated with the general timber program of the region.

A law authorizing local school districts to purchase forest tracts for development purposes was passed in 1928. This enabled county and town boards to sell their tax-delinquent lands to the school operators.

Usually the experimental forest is a tract of 20 acres or more, owned in fee simple by the school district and operated by the school children under the guidance and supervision of the School of Forestry.

"The primary purpose is to give students a broad understanding of the out-of-doors, its wild life, its beauty, its recreational and economic values. . . . It stresses how necessary it is for the public to co-operate if this resource is to be used and conserved for future use."

Miniature Industries

Each school forest is a miniature industrial forest. The site is studied, a fire protection plan is adopted, a program of planting and thinning determined upon, and scientific forestry practices applied the year around. All the work is done by the students.

"Wherever possible, classroom instruction is linked with practical work in the field. The students help clear the fire lanes, plant seedlings, thin the plots, harvest the trees, even take part in the negotiations for forest crops. In every way possible they are made to feel that the forest is their responsibility and the result of their own thinking and efforts. They learn by doing."

The underlying principle of the experiment, from the educational standpoint, is expressed in the motto: "Youth develops when youth builds."

The Wisconsin experiment has attracted wide attention both in educational circles and within the forest products industries.

"Wisconsin's experience," says a recent summary from the American Forestry Association, "is both a warning and an example. Once the leading lumber state in the Union, today it must import most of the raw materials for its great pulp and paper industry. Yet the capacity of Wisconsin's forest lands to grow trees is winning wider recognition. Industry and Government are working together to grow trees for tomorrow. Wisconsin's school forests are a part of this long-term program."

'Let's Start a Bank'

A Series on How the Chartered Banks Are Organized and How They Operate

ARTICLE VII

"Before we discuss the regulations in the bank act affecting bank loans let's first run over the general types of loans banks make" said Harry as the three friends continued their talk on starting a bank.

"One wide classification would be current loans and discounts, call loans, loans to provincial governments and loans to municipal governments. Current loans are those made in the course of business for a stated period. They may be renewed when they mature but normally run for a period of say 90 or 120 days. Banks like to have their loans repaid at reasonably short periods because they have to be ready to pay their deposits any time and so must always keep liquid. Thus they want their loans usually to be for a short period. These, of course, are frequently renewed after this periodic review.

"What is the difference between loans and discounts?" asked Tom.

"They are essentially the same" Harry replied, "the main difference, as it has been explained to me by a banker, is that while the interest on a loan is not paid until maturity, in the case of a discount, interest is deducted from the amount before it is paid over to the customer. Competition, however, has brought the practice of making some advances by way of direct loans read "with interest." In that case interest is charged when the loan matures. But whether interest or discount is charged is a matter for arrangement between the bank and the customer.

Call Loans

"Call loans are usually made on the security of stocks, bonds, etc. and may be called in by the bank at will. Thus if the stock market has a slump and the value of the stocks given as security drops, the bank can ask for immediate repayment of its loans.

"Loans to provincial and municipcal governments are just what their name implies."

"But the Bank Act requires the banks to make a return of its loans classified according to the business of the borrower including provincial and municipal governments, loans to farmers, grain dealers, brokers and security dealers, specified institutions, individuals against securities, merchandising, various classes of industry, public utilities, churches, hospitals, etc.

Who Can Borrow?

"Yes but let's get back to the regulations affecting the loans a bank can make" interrupted Dick. "For instance who can a bank lend to and what security must they have? What classes of people are they debarred from lending to?"

"Well," answered Harry, "the banks can lend to almost everybody if the security is all right. You must have heard of section 88 of the Bank Act. For example, it authorizes the banks to lend to wholesale purchasers or shippers or dealers in products of agriculture, the forest, quarry and mine, and lake, river or sea, on the security of such products; to manufacturers on the security of goods manufactured by them or procured for manufacture; to farmers on the security of threshed grain grown on the farm and to farmers for the purchase of seed grain on the security of same and any crop grown therefrom, for the purchase of fertilizer and binder twine on security of such goods and crops to be grown or harvested through their use, and to livestock farmers on the security of the livestock with certain restrictions.

Then this year there was a great change made in the bank act, to allow the banks to lend farmers money to buy electrical equipment, implements, etc. on the security of such merchandise.

It was also amended to allow the banks to make loans to farmers to improve their property. This latter power was given in conjunction with another act passed, the Farm Improvement Loans Act, which allows the bank to take a mortgage on a farm as security, a course previously unknown in Canadian banking. Banks may also lend fishermen on security of fishing vessels, equipment, etc.

"Then in section 75 it states in general terms that a bank can lend money on certain classes of security.

Loans Prohibited

"But there are some people who can't get a loan," interrupted Tom.

"Yes sure," said Harry, "For example the bank act prohibits a bank lending money exceeding $1,000 to any of its officers without the approval of the directors; or to lend the general manager or any lower officer of the bank at any time more than $10,000 or to lend more than 5% of its capital to a director of the bank or to any company in which the president or general manager of the bank is a partner or shareholder, without the approval of two thirds of the directors present at the meeting at which the loan is dealt with.

"The act also prohibits a director of a bank being present or voting at any meeting where a loan to himself or any company of which he is a partner or director is under consideration."

"What about loans on real estate?" asked Tom.

"They are prohibited, except in such cases as are authorized under the Farm Improvement Loans Act.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

W. A. McLAGGAN, to be manager at Haymarket Square, Saint John, N.B.

I. Y. MURPHY, to be manager at Aylesford, N.S.

BANK OF CANADA

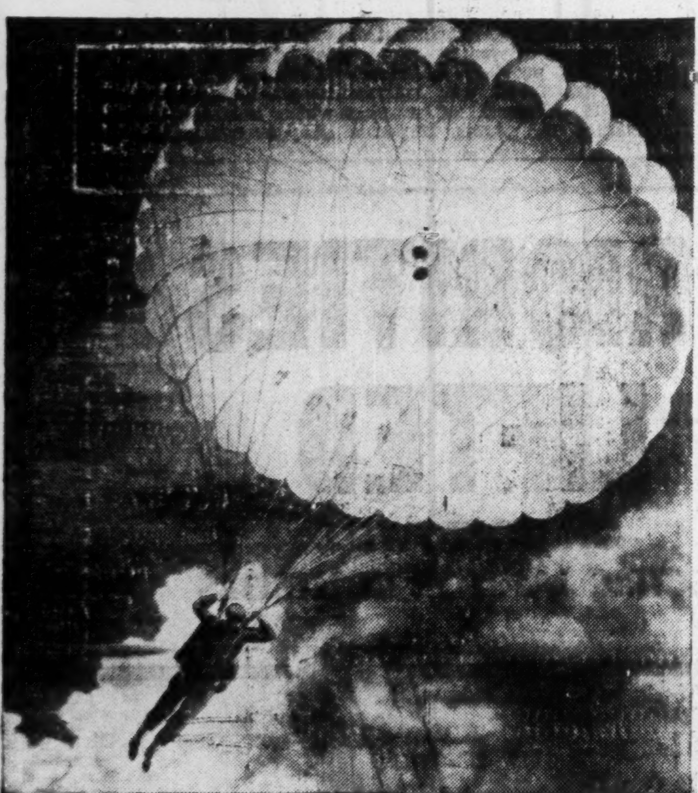
Total Assets Up $48 Millions

Total assets of the Bank of Canada show a rise of $48 millions in the statement for the week ending Sept. 6. Holdings of sterling, investments and miscellaneous assets were all higher. It was the seventh consecutive week the bank accounts had shown a tendency towards expansion, the rise in total assets since the week ended July 19 being approximately $133 millions.

On the liability side, note circulation rose to a new high level at $965.8 millions, while total deposits were up $45 millions.

Liabilities	Sept. 6 1944 $	Aug. 30 1944 $
Capital paid-up .	5,000,000	5,000,000
Notes in circ. . . .	965,820,680	960,358,351
Rest fund	8,041,601	8,041,601
Deposits: Dom. .	96,035,190	53,883,392
Chartered bks.	432,935,241	432,511,223
Other	37,023,582	34,253,473
Total deposits . .	565,994,013	520,648,088
All other liabs. . .	21,150,861	24,824,472
Total liabs.	1,566,007,155	1,518,872,512
Assets		
In Sterl. & U. S.	57,539,294	48,739,294
Subsid. coin	519,007	545,556
Investments:		
Dom. gov. sh. .	859,429,036	849,384,548
Oth. Dom. gov.	593,189,705	593,811,685
Total invest.	1,452,618,741	1,443,196,233
Premises	1,977,388	1,977,223
All other assets .	53,352,725	24,414,206
Total assets	1,566,007,155	1,518,872,512

American Cyanamid Co. announces a special meeting of stockholders to be held Oct. 2, 1944, in Portland, Me., to act upon a recommendation of directors that voting rights be given to the company's class B stock.



Floating to Safety on a lump of Coal!

It seems incredible, but the smooth white canopy that is lowering this airman down to safety is made of coal! Coal, limestone and air compounded with the skill of Canadian chemists are the raw materials of this parachute.

Silk is an essential war material, and before the war we were totally dependant on Japan for it. Silk was Japan's major industry. It was the foundation upon which she built her war machine. Now that foundation is gone forever. Canadian and Allied chemists, working under pressure, have perfected artificial silk until it is better than the natural product. Rubber was lost to us. Today, we have synthetic rubber.

But the making of these modern miracles takes pressures and temperatures greater than ever before used in mass production. With the increase in pressure and temperature comes an even more urgent need for the skill of Boiler Inspection Company engineers in detecting flaws in boilers, turbines and generators. Flaws, which, if unnoticed, could cause disastrous accidents, ruined machines, and slowed-down production.

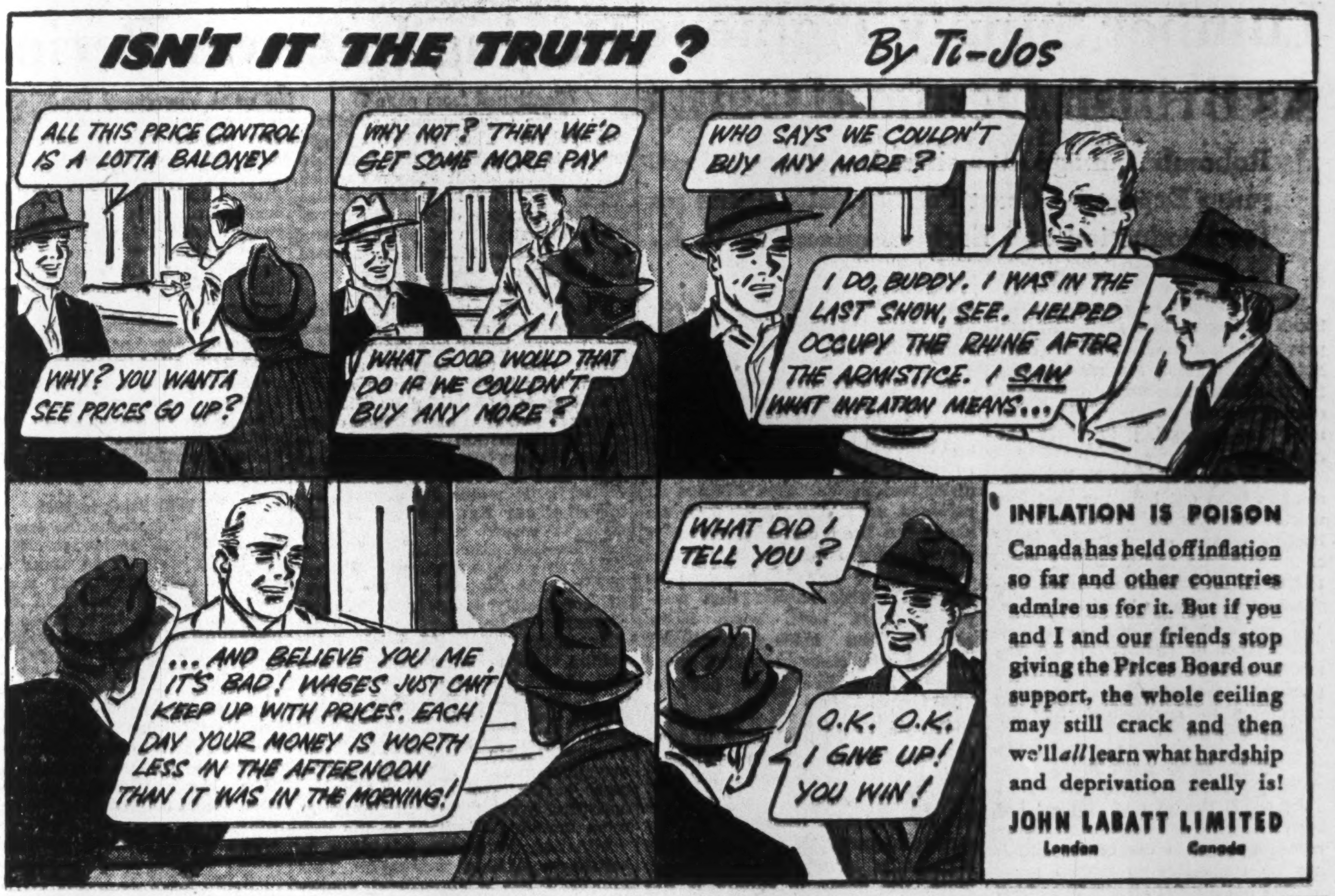
Backed by the experience gained in 69 years of research and practical experience, men of The Boiler Inspection Company are busy in synthetic plants all over Canada, checking, checking, checking. Looking for trouble and remedying it before it has time to get started.

The proven value of the service given is seen in the fact that more than half of all the premiums paid to the 23 companies writing engineering insurance in Canada go to The Boiler Inspection Company.

Covers: Boilers • Pressure Vessels • Steam, Gas and Diesel Engines • Turbines • Electrical Equipment

The Boiler Inspection and Insurance Co. of Canada

806 THE BANK OF NOVA SCOTIA BLDG. MONTREAL


ISN'T IT THE TRUTH? By Ti-Jos
ALL THIS PRICE CONTROL IS A LOTTA BALONEY
WHY? YOU WANTA SEE PRICES GO UP?
WHY NOT? THEN WE'D GET SOME MORE PAY
WHAT GOOD WOULD THAT DO IF WE COULDN'T BUY ANY MORE?
WHO SAYS WE COULDN'T BUY ANY MORE?
I DO, BUDDY. I WAS IN THE LAST SHOW, SEE. HELPED OCCUPY THE RHINE AFTER THE ARMISTICE. I SAW WHAT INFLATION MEANS...
...AND BELIEVE YOU ME IT'S BAD! WAGES JUST CAN'T KEEP UP WITH PRICES. EACH DAY YOUR MONEY IS WORTH LESS IN THE AFTERNOON THAN IT WAS IN THE MORNING!
WHAT DID I TELL YOU?
O.K. O.K. I GIVE UP! YOU WIN!

INFLATION IS POISON

Canada has held off inflation so far and other countries admire us for it. But if you and I and our friends stop giving the Prices Board our support, the whole ceiling may still crack and then we'll *all* learn what hardship and deprivation really is!

JOHN LABATT LIMITED
London Canada

DAILY-NEWS BULLETIN
BIG POST-WAR HOUSING SCHEME UNDER WAY ...
BUILDING FOR WAR • PLANNING FOR PEACE
DOMINION OILCLOTH AND LINOLEUM COMPANY LIMITED MONTREAL CANADA
Manufacturers of Dominion Battleship Linoleum and Marboleum

"Why, Post-War housing alone will keep us busy!"

Canada badly needs hundreds of thousands of new homes—and that means a lot of linoleum. Then think of the thousands of people who are just waiting for Victory to fix up their places—and the new schools, hospitals and institutions needed. Ahead of the linoleum industry are the unfulfilled demands of four years—home, industrial and foreign. And that means employment!

The workers at Dominion Oilcloth and Linoleum Company see good prospects for post-war employment. They have confidence in the company which kept them steadily employed even through the depression. They also know that they have protection while working, by virtue of sickness and accident insurance and that a pension awaits them when their working days are over.

Hundreds of thousands of aluminum, steel and steel alloy parts for aeroplanes are being shaped on the huge hydraulic linoleum presses.

Millions of yards of army duck and anti-gas fabrics have been proofed against water, flame, mildew, gas and the arctic weather.

Huge quantities of linoleum have been supplied for naval vessels, Air Force Schools, administrative establishments, munition plants and hospitals.

Lumber Supply Tightens As British Demand Gains

Robomb Damage Intensifies Urgency of Maximum Export — Coast Prefabricators Line up for Production and Early Shipment to U. K.

From Our Own Correspondent

VANCOUVER. — Britain's robot bomb damage, added to widespread previous destruction, will call upon British Columbia's lumber industry for maximum shipments during the coming months, and west coast sawmills are preparing to meet the situation.

Timber Controller A. H. Williamson has been out here the past few weeks inventorying production of logging camps and mills; in trade conferences he and Assistant Controller D. D. Rosenberry have emphasized continuing U. K. demands.

It may be necessary to curtail distribution of lumber in the domestic market to meet the more pressing requirements overseas, according to spokesmen for the Timber Control.

Sales Have Been Freer

Actually, the sale of lumber has been much more liberal than in the recent past, with the result that it has been possible to launch long-needed building programs in several communities where wartime population has swelled. Vancouver, for instance, is now experiencing one of the biggest building booms in her history and this could not have been undertaken were it not for a freer supply of lumber. A year or so ago it was virtually impossible to obtain lumber for civilian construction in Vancouver or any other part of B. C., regardless of heavy production. At that time, lumber was in priority demand for various Government projects and the civilian market had to wait.

The brakes were eased early this year to allow for some building to relieve the acute housing shortage. Now it may become necessary to tighten up again on domestic flow of lumber because of insistent call from London. Officially, the U.K. quota continues to be about 40% of B. C. production—roughly equal to the domestic allotment, the balance being for the U. S., and the overseas dominions.

Canadian Prefabs for Britain

Meanwhile elements of the Canadian construction industry are considering plans for the fabrication of large numbers of ready-made or demountable homes for shipment to Britain. The prefabricated building industry on the west coast is being surveyed with a view to ascertaining the potential volume of its production and shipment during the coming months.

A Vancouver construction company has designed a one-story sectional house measuring 24 x 26 ft. and containing living-room, two bedrooms, kitchen and bathroom. Exterior and interior type Douglas fir plywood form the walls and the house has been designed around a service unit approved by British architects to be manufactured in Britain. This service unit comprises toilet, bath, wash basin, cooking and heating facilities, laundry tub, sink and refrigerator ranged in double rows, back to back.

The extent of this trade in prefabricated houses remains to be seen and several factors have yet to be worked out, but it is known that Britain wants at least one million such structures. Unless the trade attempts to supply that number or more, the domestic supply is not likely to be seriously disturbed, but in addition to this type of housing Britain requires lumber for almost every conceivable structural purpose, so that it is almost impossible to over-estimate actual needs.

Emissaries Stress Urgency

Two or three special commissions representing the U. K. timber trade have been to Canada in recent months and all of them have stressed the need for a continuing production effort in the Canadian forest industries if the British demand is to be satisfied. British construction industries require Canadian lumber not only at present but for the period following the war, and as previously reported in The Financial Post, contracts have already been placed for some $140 millions worth of Canadian lumber for the two years immediately following the return to peace.

These orders are not to be considered in the light of an increase over normal business, but as an assurance that Canada will continue to ship in considerable volume when wartime controls are removed and the fluctuating price situation might tempt the industry to sell a large proportion of its output to markets other than the United Kingdom.

Gradual Price Decontrol During Interwar Period?

(Continued from page 7)

ence of the Government's stabilization policy. That policy, as you know, is to prevent the inflation and upheaval of our economy which would otherwise have been a natural consequence of war. So far as the administration of price control is concerned, there are several choices open.

Two Courses Rejected

First, price control could be abandoned as soon as victory is assured and war contracts are sharply curtailed. For the reasons already given, it is likely that such a step would permit an initial drastic rise in prices and ruin any chance of an orderly transition from war to peace. In any event, the risk is so great that it would be madness to invite it. It would be a gross betrayal of our fighting men if they were to return to a condition of skyrocketing prices followed eventually by a violent collapse. We can rule out the first alternative as being completely contrary to declared Government policy.

Secondly, we could relax price ceiling control and shift to a selective type of control, concentrating on items which bulk large in the cost-of-living index and allowing price increases for other goods wherever their costs of production are substantially higher than in the basic period. The latter is really a cost-plus system and would be of most immediate benefit to the war production industries planning to return to civilian production. This approach has a superficial attraction, but when you look at it more closely you can see that it is riddled with dangers, difficulties, and discriminations. It means leaving the basic period principle of price control for a new principle which recognizes cost increases, however temporary, as a basis for price advances.

Cost-Plus in Disfavor

Every time a price is raised **somebody's** costs go up and that, in turn, is reason for further price increases. So goes the inflationary spiral. Such a procedure could easily lead to widespread and substantial price increases to the detriment of the consumer and, also, to that of business and labor. The Prices Board could not take a "tough" attitude on items which are important in the cost of living and an "easy" attitude on items which are not. That would be gross discrimination as between one producer and another, and would not be tolerated for long. If the Board were to accept a cost-plus system and still try to keep down the prices of cost-of-living items it would have no logical alternative but to subsidize producers of cost-of-living items for increases in costs. How much more in subsidies this would involve no one could say, but it would probably run to large figures.

And here I should interject that the concern of the Board is to keep subsidies to a minimum and to get rid of them when feasible—not to add to them. They have been a useful and, indeed, essential weapon to meet emergency conditions, but they are a wartime expedient and they should not be continued for long into the postwar without a careful and critical examination of their implications and their particular function from a longer-range point of view. There are other objections to a cost-plus approach. It might seriously reduce the incentive to efficient operation, particularly, at a time of strong demand. Consequently, it would be necessary for the Board to undertake a detailed analysis of cost of production and as well, to take a view about what profits are justifiable. This would mean in effect a system of control of profits. Such an administrative task would be both difficult and expensive.

Will Stick to 1941

The third choice is the one which the Board has decided to follow in the belief that by so doing it carries out most effectively the mandate of the Government in its stabilization policy. In a sentence, the procedure will be to maintain stable prices established at the basic period level of 1941 and as goods formerly prohibited or restricted begin to reach the market they, too, will be priced at the level which they had already established, or — for new goods—at the level which would have been appropriate if they had been sold in the fall of 1941. As a matter of fact, the Board has just completed a detailed consolidation of its pricing procedures, to be issued in a few days as Order No. A-414, which includes an explanation of the methods to be followed in setting ceiling prices on new goods coming on the market.

The continued maintenance of basic period prices is not so difficult as it may sound. Our price ceiling is based mainly on 1941 costs and prices. Conditions were far from being depressed in that year. We had had two years of wartime expansion and many prices had already been increased in line with rising costs. We know, of course, that costs in many industries have risen since 1941, but we also have reason to believe that a good many of these cost increases are, or should be of a temporary character.

Where costs require adjustment I think it is important to stress that this does not mean the Board is advocating a policy of lower wage rates. On the contrary, the approach outlined, as I shall explain in a moment, affords the best chance for keeping up the volume of production and, in turn, supporting employment and wages. There are other ways, however, in which there will be a reduction in **real** labor costs. There is likely to be a decline in labor turnover, a return of more skilled and proficient workers from the armed services and war industry to their civilian occupations, a considerable saving in the need for overtime, reduction of absenteeism and so on—all factors which will tend to increase the efficiency of the working force and reduce real labor costs. It is to be expected also that costs of at least some materials will fall as war shipping rates decline and as sources of supply, not now accessible, are reopened.

Down to Brass Tacks

As well, there ought to be scope for a general improvement in managerial and operational efficiency with the elimination of wasteful or inefficient practices, which almost inevitably creep in under the urgent demands for speed in wartime. More careful buying of supplies, the ability to obtain improved materials and to replace wartime substitutes, together with the restoration of normal and cheaper sources of supply, should all work to reduce costs. And, finally, there has, undoubtedly, been a marked advance in industrial techniques and organization under wartime experience which should result in lower unit costs.

I am not overlooking the fact that declining volume resulting from curtailed war orders may increase costs of production. But to increase prices is no way to enlarge volume of production and sales; on the contrary, it is a sure way of restricting it. It is worth remembering, for example, that those industries which succeeded in holding up their prices in the great depression generally found that this resulted in sharply curtailed volume and consequently unemployment.

It seems clear that a genuine endeavor to prevent prices from rising in the early stages of transition will greatly improve our chances of building a large volume of peacetime production, both for the domestic market and for export markets. Volume production and competitive prices are inseparably associated; prices must be kept down to get volume, and volume is the only basis on which costs can be kept low. If we fail to take the bold view of preventing prices from rising as a vital means of attaining volume much above pre-war levels, if we adopt the narrow approach of merely trying to re-establish pre-war production and markets, then we shall be throwing away our prospects for high employment and a progressive and expanding society.

Both labor and enterprise have a vital stake in co-operating with the Prices Board in preventing prices from rising. Naturally, some exceptions may have to be made and it is not intended to follow hard and fast rules any more than we have done in dealing with the pricing problems of the war years. But it is important to deal with exceptions as exceptions and not allow the exceptions to develop into a policy itself.

Decontrol By Stages

There is no way of predicting how long price control will be needed during the transition period. That will depend on how long the war continues against Japan, on how quickly reconversion proceeds. It will depend on the degree of restraint shown by the public in the use of accumulated purchasing power. It will depend on how prices act in other countries, and so on. The danger of inflation will be reduced as productive resources of men and machines are released from war use. As we swing over on to peacetime conditions it will become possible to plan for the relaxation of price control.

It is too early to determine specific procedures for decontrolling prices. It is quite possible that the withdrawal of price ceiling control may proceed in stages; for example, it might be feasible to remove broad groups of commodities from the ceiling as their supplies increase and demand becomes less exaggerated. The timing will be important and we should not overlook the fact that in due course, and perhaps quite quickly, the danger of inflation will be replaced by the risk of deflation.

As war production is cut we face an enormous readjustment in our economy which will influence purchasing power and will banish the shortages which appear so formidable at present. In preventing inflation in the early stages of transition a real contribution is made to help avoid the danger of deflation in the later stages. One only has to look at a chart showing the abrupt rise and fall of prices following the last war to appreciate how the final up-swing accentuated the following deflation. If we can cut off that sort of crazy peak in prices and prevent the damage which the dying kicks of inflation would cause, we shall have made solid progress toward an orderly reconversion.

Price Floor Problem

Let us be clear, however, that important as price control is, it is only one aspect of economic policy. By its nature, it is directed toward keeping prices from rising and, while the prevention of inflation will help in reducing the danger of deflation, a price ceiling does not and cannot prevent prices from falling. To minimize that danger, ways and means must be found of sustaining employment and national income at levels much higher than we knew before the war. Solutions must be found to many of the national and international problems which have grown out of the dislocations of war.

The whole problem of reconstruction lies ahead, war contract cancellation, disposal of surplus commodities and plants, corporate tax policy, reconversion financing, public works, social security measures and many other questions. And perhaps more important than anything else, our external relations have a vital bearing on our post-war prospects, for much will depend on our ability to expand our foreign trade in order to take up part of the slack in employment left by decline of war production. The task before us may well provide a greater challenge than the job of organizing for war. To meet it successfully will call for all the imagination, courage and planning which business, labor, agriculture and government can provide.

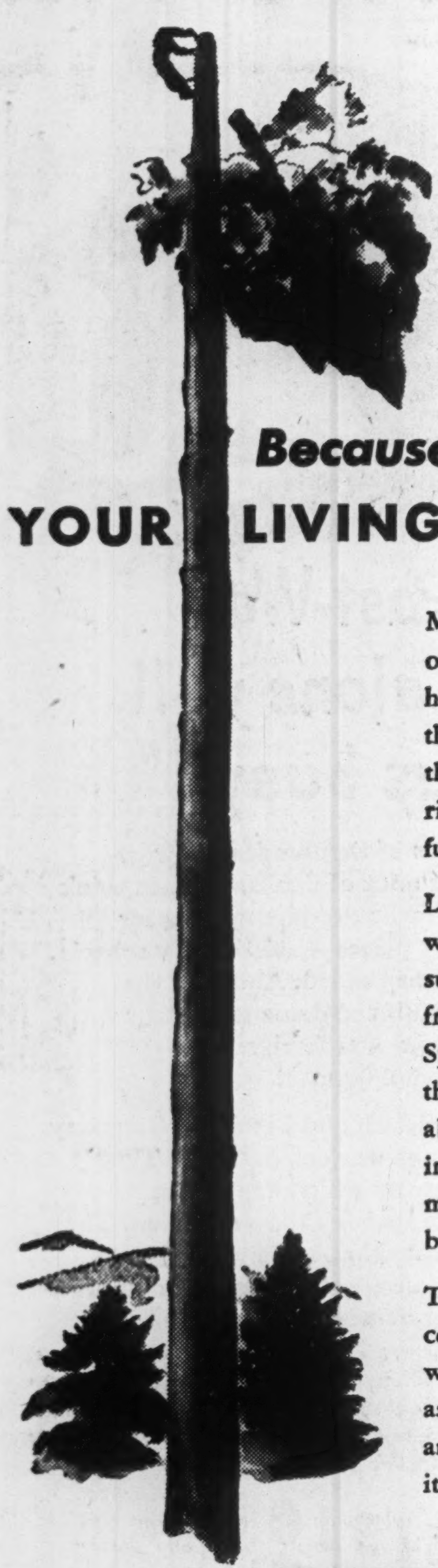
FOR EFFICIENT FLEXIBLE
POWER
DOWTY
HYDRAULIC EQUIPMENT

The efficiency, simplicity and flexibility of hydraulic power is strongly emphasized by the fact that it is used to actuate a variety of equipment on virtually every aircraft of the RCAF and RAF. It is interesting to know, too, that the great majority of such hydraulic installations are designed and made by DOWTY.

DOWTY has pioneered for twelve years in hydraulics; the name DOWTY has become synonymous with skilled design and fine performance in hydraulic equipment.

At present we are working for war, but we are also planning for peace . . . for the day when we can supply Canadian-made DOWTY hydraulic equipment for general industrial use. Then DOWTY'S technical information, designs, wide experience and first class engineering facilities, will be available to produce hydraulic equipment for every need—equipment made by DOWTY, in Canada.

DOWTY EQUIPMENT (CANADA) LIMITED
Dominion Square Building . . . . Montreal



Because he climbs,
YOUR LIVING STANDARD CLIMBS

Men such as this "lumberjack", "topping" one of Canada's great trees at a dizzy height, help give Canada a richer life. Jobs such as this, created by enterprising people, stimulate the very life-blood of the country and give rise to further jobs, further opportunities, further production of wealth.

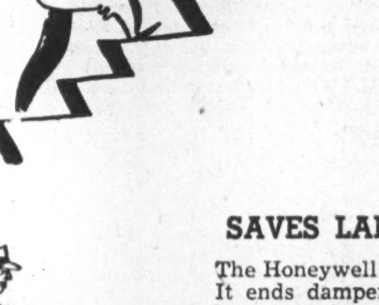
Lumbering is one of the many industries which have been fostered, counselled and supported by this Bank's constructive and friendly help since pre-Confederation days. Spurred on by the realization of opportunity, the lumber industry has faced its risks, absorbed its losses and developed to its now important stature in Canadian and world markets, all within the framework of private business.

This, free men and women of vision have accomplished—a past performance that speaks well for future progress. Free enterprise aspires ever to higher things. For your sake, and for the sake of Canada's youth, keep it free.

THE BANK OF TORONTO
Incorporated 1855
B. S. VANSTONE, General Manager

12-44
89 YEARS OF FINANCIAL COUNSEL AND SUPPORT TO CANADIANS

PRIORITIES LIFTED
ON HONEYWELL
ELECTRIC JANITOR CONTROLS



LOWER FUEL BILLS

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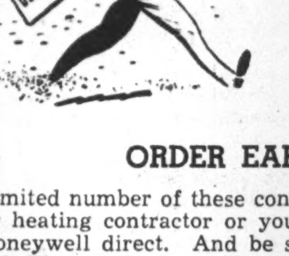

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Only a limited number of these controls will be available, so call your heating contractor or your coal dealer or Minneapolis-Honeywell direct. And be sure you get the genuine Honeywell Electric Janitor. It comes packed complete with all fittings. Price $31.75, installation extra. It can be installed on your present furnace or boiler and pays for itself quickly.

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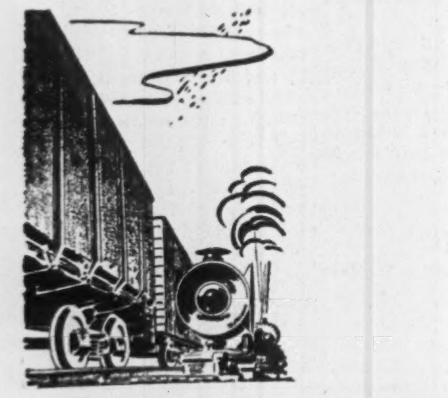

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A PROVINCIAL PAPER

We Have Been Asked

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Mother-in-law

I understand some change was recently made in the income tax law, allowing a taxpayer deductions for supporting his wife's relatives such as a mother-in-law. Is this correct?

Under the new regulations a taxpayer is entitled to the same deductions for his wife's dependent relations as for his own, the term dependents now including parents-in-law, grandparents-in-law, brothers and sisters-in-law, sons and daughters-in-law.

Adopted Children

My wife and I have no children and we have been thinking of adopting one or two. What allowances as regards income tax are made in such cases? Do adopted children rank the same as one's own children?

Adopted children rank the same as one's own children as regards income tax. You will be allowed a deduction of $28 from normal tax and $80 from graduated tax, a total deduction of $108 for each child under 18 years of age and dependent on you or if over 18, while attending school or college up to 21 if dependent on you. In fact, according to the recent amendments to the income tax act a taxpayer is allowed deductions for any child for whose support he is responsible.

INVESTMENTS

Mica Co. of Canada

Could you tell me what results are being secured at present by Mica Co. of Canada? I have heard that the company's mica properties have been closed down and wondered, if this is true, how the company is doing.

Mica Co. of Canada is now chiefly interested in the processing of mica, its two mica properties having been closed down as their costs were somewhat above what could be received for turning out mica. However, the processing end of the company's business has shown considerable expansion recently.

Sales for the seven months ended July 31, 1944, totalled $143,250 compared with $104,699 for the corresponding period of 1943. After all expenses (including considerable expense in connection with expansion) net profit was $12,333 for the six months ending June 30. It has been suggested that the company may have a "potential ability" to earn $50,000 a year, which would be about 3c a share on the present outstanding capital. Working capital was $92,000 at June 30, 1944.

Anglo-Canadian Oil

I would greatly appreciate some details as to earnings of Anglo-Canadian Oil Co. and the company's present prospects. How is the financial position?

Anglo-Canadian Oil Co. realized a profit equal to 12.3 cents a share in the year ended Jan. 31, 1944, compared with 14.1 cents a share in the preceding year. Wells in which the company is interested have been showing reduced output, the reduction not being offset completely by further wells drilled. As ground available for drilling wells in Turner Valley is not as extensive as previously, and drilling costs are high, there is a strong possibility that income from wells may continue to decline.

Fortunately, a considerable part of income is derived from drilling of oil wells for others, through a subsidiary, and drilling of wells has been on a large scale recently. There is an intensive search on for discovery of new sources of oil and the company's services are in demand for drilling of test wells for others. If a new oil field should be found, of course, the company is in an excellent position to participate in its development. Not only has the company's subsidiary retired its funded debt, but working capital as at Jan. 31, 1944, showed an increase to $1.4 millions, which is the equivalent of more than 50 cents a share on the company's 2,250,000 outstanding shares.

CNR MANAGER

Arthur McL. Kirk, appointed by Canadian National Railways to new position of passenger traffic manager with office in Toronto. He was CNR's general passenger agent at Montreal.

Bell Telephone

Is Bell Telephone Co. earning the present dividend which they are now paying? Is there apt to be a reduction in the dividend rate and if so would it have any effect on the value of the shares?

Bell Telephone Co. earned $8.85 per share including the refundable portion of the Excess Profits Tax (or $6.91 per share excluding the refundable portion) for the year ending Dec. 31, 1943. In 1942 the company earned $9.57 per share including or $8.72 per share excluding the refundable portion of the Excess Profits Tax. For previous years earnings were $8.77 per share in 1941, $8.15 per share in 1940, $8.05 per share in 1939, $8.06 per share in 1938.

As a result of only $6.91 a share being earned before taking into account the refundable portion of the Excess Profits Tax, $893,381 had to be taken from the surplus account in order to pay the dividend on the common stock. However, the refundable portion of the Excess Profits Tax amounted to $1,654,000 for 1943 so that taking it into account the company had a surplus for the year. This amount at some future date will be made available to the company but it is not available for distribution at present. The company's working capital position as at Dec. 31, 1943, was sufficiently strong for it to continue paying dividends at the $8 rate provided it desired to do so. Working capital at Dec. 31, 1943, amounted to $4,017,142 as compared with $682,401 at Dec. 31, 1942.

The Financial Post is not aware of any change being proposed in the dividend rate of the Bell Telephone Co. The dividend rate is a matter of company policy for the company directors to decide and their decision, of course, will be based on the conditions prevailing at the time they consider the matter.

As a rule the effect of any dividend reduction is to lower the market price of the stock. Consequently should the Bell Telephone cut the dividend rate on their common stock we would expect their stock to sell at a lower price.

Hayes Steel Products

Would you kindly give me some information on Hayes Steel Products Ltd.?

Hayes Steel Products Ltd. manufactures clutches, front axles, universal joints, propeller shafts for automobile vehicles, drop forgings and stampings, grinding balls and detachable drill bits for the mining industry, pole line and high tension line hardware and is engaged in general machine work. A subsidiary, O & W. McVean Ltd., manufactures vehicle wheels, carriage and sleigh wood stock, hubs, spokes, rims, shafts and poles.

The company holds a minority interest of 20% in the Kelsey Wheel Co., Windsor, Ont., a Canadian subsidiary of Kelsey-Hayes Wheel Corp. of Detroit, Michigan, which manufactures automobile wheels of 11 types for the Canadian market.

This company's fiscal year ends July 31, but the 1944 figures have not yet been released, so any information which we can give you is based on figures as at July 31, 1943. Capitalization of the company consists solely of 90,000 shares of no par value common stock which are carried on the balance sheet at a book value of $168,480. The company carried its properties at $379,847 as at July 31, 1943, after deducting a depreciation reserve of $2,700,888. Working capital at that time amounted to $1,444,421, an increase of $986,660 from Dec. 31, 1939 when working capital amounted to $457,761.

Earnings per share on the common stock were $1.25 in 1943 excluding the refundable proportion of the excess profits tax and $5.92 per share including the refundable proportion of the excess profits tax. In 1942 the company earned $4.31 excluding and $4.53 including the refundable proportion of the excess profits tax. In 1941 the company earned $3.51 per share on common stock.

NEW WARTIME REGULATIONS

Lumber: WPTB Order No. A-1299, Effective Aug. 1, provides maximum manufacturers' and wholesalers' prices for lumber shipped from Alberta and B. C. (except the Vancouver Forest district) for sale in eastern Canada. Timber Admin. A. H. Williamson.

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Lumber: WPTB Order No. A-1303, effective Aug. 1, provides maximum retailers' prices for lumber and millwork in the greater Ottawa district and the City of Hull. Timber Admin. A. H. Williamson.

• • •

Grapefruit: WPTB Order No. A-1322, effective Aug. 24, removes grapefruit packed in glass containers from the list of rationed commodities for the period Aug. 24-Oct. 14. Admin. of Consumer Rationing, H. I. Ross.

• • •

Jewellery: WPTB Order No. A-1337, effective Sept. 1, provides that manufacturers may make jewellery in up to 60% of the designs filed by him with the administrator, instead of 35% as allowed by Section 2 of Order A-981, which is revoked. Admin. of Jewellery, H. H. Levy.

• • •

Potatoes: WPTB Order No. A-1340, effective Sept. 1, revokes certain sections of A-929 referring to periodic increases for shippers' maximum prices. Admin. of Fresh Fruits and Vegetables, E. J. Chambers.

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Jam Pulp: WPTB Order No. A-1334, effective Sept. 1, provides regulations governing the holding of jam pulp for manufacturing jam for essential requirements. Coordinator, Foods Admin., K. W. Taylor.

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Housing: WPTB Order No. A-1335, effective Sept. 1, provides regulations governing vacant housing accommodation in the city of Hamilton, Ont. Rentals Admin., Owen Lobley.

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Canned Atlantic Fish: WPTB Order No. A-1326, effective Sept. 1, provides regulations concerning the pricing and sale of canned Atlantic fish and shellfish. Admin. of Fish and Fish Products, A. N. McLean.

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Women's, Misses' and Girls' Dresses, Suits and Coats: WPTB Order No. A-1333, effective Sept. 1, provides mark-ups and hence maximum prices for retail sales of women's, misses' and girls' dresses, suits and coats of every type and size except fur coats and infants' sizes (2 and under). Admin. of Retail Trade, E. G. Burton.

• • •

Processed Cherries: WPTB Order No. A-1341, effective Sept. 5, revises A-1292 with respect to markups for frozen pitted sour type cherries. Admin. of Processed Fruit and Vegetables, F. D. Mathers.

• • •

Grapes: WPTB Order No. A-1345, effective Sept. 5, includes vinifera type grapes in the schedule to Order No. A-1091, thereby fixing maximum prices and markups for wholesalers and retailers. Admin. of Fresh Fruits and Vegetables, E. J. Chambers.

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Footwear: WPTB Order No. A-1332, effective Sept. 15, provides detailed regulations governing the manufacture of footwear. Orders Nos. A-489, A-580, A-478, A-524 and A-973 are revoked and replaced by the order. Admin. of Footwear, G. G. Hodges.

• • •

Fertilizer: WPTB Order No. A-1339, effective Sept. 5, provides a new schedule to Order A-1036 respecting maximum prices of fertilizer in eastern Canada. WPTB Order No. A-1338, effective Sept. 5, provides such a new schedule for Order A-1055, respecting British Columbia. Admin. of Fertilizers and Pesticides, G. S. Peart.

• • •

Grapes: WPTB Order No. A-1344, effective Sept. 5, provides maximum prices of labrusca type grapes. Admin. of Fresh Fruit and Vegetables, E. J. Chambers.

CPR's Soo Line Reorganized

The Minneapolis, St. Paul and Sault Ste. Marie Railroad Co. has now taken over its predecessor, the Minneapolis, St. Paul and Sault Ste. Marie Railway Co., known as the "Soo Line."

Directors of the new company are: D. C. Coleman, Montreal; J. E. Blunt and H. B. Vanderblue, Chicago; H. LaLiberte, Duluth; C. G. Parker, Neenah, Wis.; Joseph Chapman, P. V. Eames, H. C. Grout, F. T. Heffelfinger, C. T. Jaffray, H. S. Kingman, H. S. Mitchell, J. S. Pillsbury, L. E. Wakefield, and G. W. Webster, Minneapolis.

Officers elected by the directors are: H. C. Grout, president; J. L. Hetland and C. S. Pope, vice-presidents; P. J. Stock, secretary; C. H. Bender, treasurer; and J. E. Olson, assistant secretary and assistant treasurer.

Operation of the property by the new company began Sept. 1. The old company filed a petition in bankruptcy under Sec. 77 of the Bankruptcy Act on Dec. 31, 1937.

The new company is authorized to issue the new securities as provided under the reorganization plan, the effective date of which is Jan. 1, 1941. The securities to be issued are reported to be $8,051,700 first mortgage series A cumulative income 4½% bonds due 1971; $20,129,000 general mortgage series A income 4% bonds due 1991; and 719,104 shares of no par value common stock. Equipment obligations and trustees' certificates totalling $2,663,829 are to be assumed by the new company.

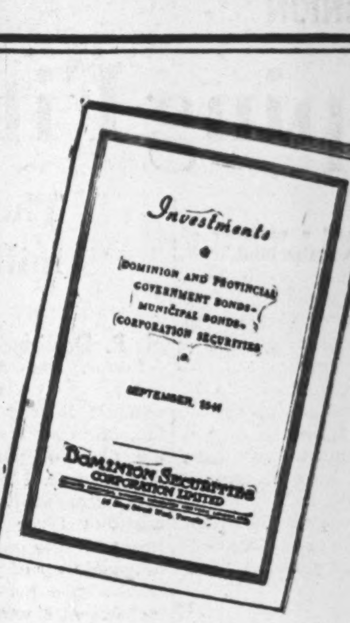
It is expected that the new securities should be available for distribution in the near future.

Unsecured creditors and stockholders of the old company were not allowed any participation in the new company.

Under the plan of reorganization a Voting Trust Agreement was entered into, pursuant to which there will, under certain conditions, be five voting trustees until Dec. 31, 1950.

The voting trustees selected were: H. C. Grout, H. S. Mitchell and G. W. Webster of Minneapolis representing the CPR; H. S. Kingman of Minneapolis representing the Savings Banks Committee; and H. B. Vanderblue of Chicago representing the Insurance Group Committee.

Mr. Grout, a native of Wisconsin, was appointed chief executive officer of the Soo Line last May, prior to which time he had been general manager of the western lines of the CPR at Winnipeg.


Investments
Dominion and Provincial Government Bonds
Municipal Bonds
Corporation Securities
September, 1944
Dominion Securities Corporation Limited

Suggestions for September Investment

OUR Investment Booklet for September is now ready for mailing. This issue contains a special section dealing with the shares of Canadian Chartered Banks.

Copies are available upon request.

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Roy Named G. M. Of Can. Cottons

From Our Own Correspondent

MONTREAL. — J. Irving Roy, director and comptroller of Canadian Cottons, Ltd., has been appointed general manager of the company, succeeding W. V. Boyd, who is retiring from the office after serving the company and predecessor companies for 60 years. Mr. Boyd is to continue his interest with the company, as vice-president and director.

It is further announced that Joseph D. Dolphin, a director and formerly manager of the company's Gibson mill at Marysville, N.B., has been appointed to be manager of mills for Canadian Cottons.

"They Sailed the Seas For a Better Red!"
CHEMISTRY SERVES CANADA

DYESTUFFS have always been an important article of commerce. Long years ago, in the days of earliest navigation, ships sailed to distant points, braved the dangers of uncharted seas in their search for more brilliant reds and blues that would not fade. Tyre itself rose to fame largely on the quality of the dyes that it could offer to the early world.

To-day the important part that dyes play in industry is no secret. Busy shoppers look for smart materials, feel their fine texture and ask, "Is the colour fast?"

The answer to-day can be in the affirmative, for such is the progress in the manufacture of dyes that colours are available in Canada now that are equal to any the world has yet produced. Silks, cottons, rayons, woollens and other fabrics can take on the brilliance of the rainbow, resistant to sunlight, to perspiration, to salt air and water, to constant tubbing or dry cleaning according to the purpose for which they may be intended.

And thus through the magic of commercial chemistry, the test tube has replaced the sailing ship and man's search for brilliance need go no further than the confines of the laboratory.

To provide dyes equal to every need of the textile, paper and leather industries of Canada is one of the many functions of the Organic Chemicals Division of Canadian Industries Limited.

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IN YOUR OPINION

Keeping Fit For War---A Job For Peace?

The Question: Should Canada have compulsory military training in peacetime? What form?

Percy Black

Amherst, N.S., and a member of parliament for Cumberland, N.S.

I definitely favor compulsory training in peacetime for the armed services. I believe Canada should be prepared to protect its national interests in any emergency but not to be dominated by militarism. Our youth will respond naturally to properly directed training. And it will be well for them to have physical training and be subjected to discipline which will tend to create respect in themselves and inculcate regard for authority and the duty they owe their country and our flag as good citizens.

• • •

C. L. Berry

Manager, Radio Station CFGP, Grand Prairie.

Compulsory military training for Canadian youth in peacetime is most desirable. Apart from forming the nucleus of an army to assure the freedom of Canada and her present allies in case of unwarranted attack, the discipline and physical fitness so essential for character and stamina in Canada's youth would be developed. Three months each year for three years commencing at the age of eighteen with previous physical culture training in schools would do much for Canada's rising generation and Canada in the postwar world. It is better to be safe than sorry every 20 years.

• • •

E. A. Corbett

Director, Canadian Association for Adult Education, Toronto.

I believe Canada should have some form of compulsory service leading to national physical fitness and a better understanding of the responsibilities of citizenship in a democracy. The CCC camps in the United States were successful in both fields. It would be less difficult to get public support for some such form of service than for compulsory military training and it would serve the same ultimate purpose.

• • •

Fay G. Davies

General manager., National Life Assurance Company, Toronto.

Due to the consideration of problems dealing with war and rehabilitation, I have not been able to study the matter of postwar military activities. It is safe to assume, however, that a much larger armed force will be necessary in postwar than was the case during the inter-war years. It is essential that the youth of our country be trained under a plan which will include physical fitness, good citizenship and a sense of discipline. It is questionable, however, if such training, while it may be of a military character, will have much direct military significance due to the age of those who are participating.

Military preparedness will obviously be a postwar national necessity. The method by which it can be attained may safely be left for later consideration.

• • •

James Lester Douglas

Member for Queens, Charlottetown, P.E.I., House of Commons.

I do not favor compulsory military training. I believe we should have military force in peacetime partly permanent, partly voluntary, both branches to be stationed in every military district, in every province. The nonactive force should have training weekly throughly the year and at annual camps or headquarters. The permanent force should be largely augmented with men returning from overseas who desire to continue active. The organization would be changed considerably to meet new postwar conditions and in the light of experiences gained from present means of warfare.

H. P. Davidson

Editor, The Acadian, Wolfville, N.S.

While it may be necessary for Canada to maintain armed forces in the days of peace following the present war, I am not in favor of compulsory military training. Rather would I favor a volunteer force similar to the present reserve army but made up of younger men, who would have hours of training and lectures each week with a period of more extensive training in camp for a few weeks each year. Of course, it is presumed Canada will continue to maintain a small permanent force, and I would favor also the continuation of cadet training in the schools.

• • •

Watson Kirkconnell

Professor of English and well-known speaker and author, McMaster University, Hamilton.

I have always supported some form of military training for youth as invaluable in creating a sense of discipline and civic responsibility. The present war and the uncertainties of world peace for at least next half century make urgent a system of compulsory military service for all young Canadians, perhaps beginning at the age of eighteen or immediately after high school graduation. Only thus can we fulfill our share of responsibility in an essential framework of world security. A trained democratic citizenry is also more immune to irresponsible selfishness from above and to seditious violence from below.

• • •

Milton F. Gregg

President, University of New Brunswick, Fredericton.

I do not favor for Canada a compulsory peacetime military training system in its pre-war European interpretation. Instead, I suggest a completely reoriented universal compulsory service training plan conducted as a national enterprise to provide each age group reaching 17 and 18 with two consecutive summers with candidates well shuffled within groups and trained in areas outside province of origin.

The program should include means for inculcating physical and mental fitness, inspiring morale, group and self-discipline and control, including some features drawn from the basic stages of armed force general and trades training and from advance scouting program, also cultural and citizenship activities.

In group living and training they should study and practice the conception of democracy and incorporate practical illustrations of its responsibilities as well as individual freedoms. Objectives of the plan should provide (a) Basic qualities and training for the technique of Canadian citizenship. (b) A sound foundation for any future armed force special training whether sea, land or air. (c) A more closely knit Canadian unity.

• • •

J. S. Mills

Provincial Normal School, Saskatoon.

The answer to your question should be an emphatic "Yes," for soldiers never caused a war, but the lack of them makes it impossible to win one. My suggestion is that compulsory military training should begin at the age of 17 and continue until every youth has put in ten months' training. Most, if not all, of this training should take place during the summer months in camps well distributed throughout the Dominion. The training should be as realistic as possible, and only professional soldiers should be allowed to instruct.

• • •

William Noakes

Editor, Sun, Brandon, Man.

Canada cannot ever again afford to possess a ridiculous form of militia and to starve it in the pacifist fashion of the past. A dreadful war should have taught even Ottawa that.

Canada must select from the more experienced men available after actual war service a moderate standing army and furnish it with modern equipment. No less. Every able-bodied young man should serve a training period under these capable "regulars" and some informed officers. After that the young men should remain members of our reserve army. A worthwhile war department could evolve a scheme of efficient defense if and when the need arises.

The cost might seem high, but not so expensive as amateur preparation for war in a hurry.

• • •

T. W. Offen

The Gazette, Rivers, Man.

I am in favor of compulsory military training in some form in peacetime with proper democratic safeguards. I see no reason why every physically fit young man should not have a short period of training against a national emergency. Such training would imbue our young manhood with a sense of personal responsibility in the well-being and protection of their native lands. In members of the Canadian Legion, which is going to be one of our strongest organizations following this war, you have the nucleus for leadership and training and advice as to the form national preparedness should take.

• • • •

M. E. Patterson

Secretary, Chamber of Commerce, Medicine Hat.

While participation by Canada in an allied army of occupation, etc., may demand maintenance of a fair-sized army for postwar years, I consider recruiting should remain voluntary. Possible health and disciplinary benefits of compulsory military training are outweighed by the following objections:

Wartime compulsion already threatens national unity; this would be intensified in peacetime.

Reconstruction development would be retarded by withdrawal of labor.

Technical education of youth would be interrupted at its most receptive age.

Defense needs could be adequately met by a small professional army, and sponsorship of properly equipped militia reserve, both recruited on a voluntary basis, but receiving better government and public support than in pre-war years.

• • •

Robert Raynault

Publisher, La Ferme, monthly agricultural magazine, Montreal.

Si vis Pacem, para bellum. I suggest military training as part of the regular program in Canadian institutions. Military service should be considered as a career just as law, medicine, etc., by the authorities and the students of these institutions, and Canadians after a while would be interested in this new branch of activities. The federal government would multiply military schools in which apt students would complete their military studies and training. I refer to the three services.

• • •

L. J. Robichaud

Formerly president, Chamber of Commerce, St. Johns, Que.

I cannot see how a compulsory military training policy can be avoided as recent history has taught us that unpreparedness and disarmament are certainly not the way to avoid wars. The form should be left to experts and could be based on that of countries such as Switzerland, but it should provide for a minimum standard of physical development and technique in one of the armed forces. Such a policy should help form the basis of a national education which would enable us to appraise our obligations and responsibilities and overcome sectional misunderstanding.

• • •

Dr. R. C. Wallace

Principal, Queen's University, Kingston.

Compulsory military training is advisable for fit young men for one year, on the grounds of physical fitness, preparedness and discipline. Training should be in large part physical, but the disciplinary value of the military regime and need of knowledge of military weakness are strong reasons in support of the position that in the building up of a world of peace young men must be prepared to defend peace.

• • •

Alex. Walker

Dominion president, Canadian Legion, Calgary.

Modern war demands physical fitness and trained personnel of a high standard of education in the armed forces as in industry. Canadian educational programs should be completed to give instruction, first, in the obligations of Canadian citizenship; second, in subjects necessary to military requirements with an adequate proficiency standard. Thirdly, this should be coupled with an improved physical training program that begins in the lower school, with a cadet program for high school to include summer camp training and appropriate military training in university. This is a federal government responsibility and should be so recognized by the provinces.

In addition to maintaining a permanent force of 20,000 for the Navy and 50,000 each for the Army and Air Force, the Federal Government should make it compulsory for every male citizen between 18 and 25 to serve an adequate period in a nonpermanent active force unit of the Navy, Army or Air Force, thus devoting two evenings a week to the country's service in addition to a period of summer camp training.

• • •

Charlotte Whitton

Former director, Canadian Welfare Council, Ottawa.

The ancient dictum, "Freedom is the sure possession alone of those who have the courage to defend it," calls for the development of that courage as an essential quality in the citizens of any state that desires to remain free. Modern mechanized and scientific warfare calls for a degree and specialization of training of the warrior on sea, land or air that challenges the whole previous concept of peace-loving nations whose citizens turned warriors only at and for a time of special need. This change is particularly true of Canada with regard to air warfare and our pivotal position on the crossways of the world's four great powers. So I am convinced that compulsory training periods and subjects equipping men for defense in these changed conditions and our girls in the necessary auxiliary services must be part of our postwar planning if we are to be strong enough to assume the enjoyment of peace.

B.C. Closes Highway Gap By Terrace-Rupert Link

From Our Own Correspondent

VANCOUVER.—A new 95-mile road linking Prince Rupert with Terrace in central British Columbia was formally opened during the past week, marking a significant development in the expansion of the province's highway system.

Like many other projects carried out in the Pacific Northwest in the past two or three years, the war gave initial impetus to the building of the Terrace-Prince Rupert road. For years it had been dreamed of, talked about and surveyed, but nothing was done about it until military considerations lent new importance to the route as an alternative to the Canadian National Railways line from Prince George west.

Until a few weeks ago, the railroad was the only easily passable route from the coast to the interior of British Columbia in the Prince Rupert district. The difficult muskeg country around the Prince Rupert hinterland was one of the obstacles that had to be surmounted in construction of a permanent highway, but this was tossed off as a minor irritant when it was decided to build the road for strategic reasons. Miles of rocky canyon had to be traversed, too. The project was an underaaking of the federal Department of Mines and Resources.

Now, of course, the requirements of the war are not so urgent as they were a couple of years ago, but the highway will serve an important purpose in peacetime. It will open up a vast new territory that in the past has been relatively inaccessible despite its potentialities as farming and mining country.

It is now possible to drive from Prince Rupert through Terrace to Prince George, then southward by the famous Cariboo Highway to Vancouver and the continental road system. The most important gap in the British Columbia road system remains the Hope-Princeton link in the Trans-Canada Highway, but this will probably be forged in the early future. Parts of it have been under construction by Japanese labor from the relocation centres in the interior of the province. When this road is completed it will be possible for motorists to drive direct from Vancouver to the Rocky Mountains and thence eastward to Calgary, the prairies and eastern Canada without detour through the United States or the necessity of shipping automobiles a few miles by railroad.

There is little doubt that the Prince Rupert-Prince George road will benefit from the expected tourist rush to British Columbia after the war.

To cash in on this business and to direct it along channels likely to be most profitable to all concerned, the established tourist organizations in British Columbia and throughout the Pacific Northwest are stirring again and planning for the coming boom.

One of the most interesting developments in this respect is an international tourist project being sponsored by Seattle interests and which has been given some consideration by the Pacific Northwest Trade Association. If this group goes ahead with its plans now under discussion it will have a fund of more than $1.8 millions for the encouragement of tourist travel in the international northwest.

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ANNOUNCEMENT BY THE SOCIETY OF BRITISH AIRCRAFT CONSTRUCTORS • LONDON • ENGLAND.

THE FINANCIAL POST

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New Jobs For Tomorrow's Office

For many an office manager there may be little reconversion and no peace at all. The paper blitz seems likely not only to continue for years but also keep on expanding.

If he is the general "factotum" in a small to medium size establishment he may have to divide authority to preserve sanity—unless he has already done so. Nor will his days be restful if he is a specialist in a larger industrial, commercial, financial or Government establishment.

If the payroll is his baby he has long ago forgotten the old days of the humble pay foreman, long ago has had to become or to engage a combined accountant, actuary and soothsayer in order to meet the requirements of today's close relationship of business and government and the new outlook on employee relations. For these new adjuncts of war, and perhaps of social progress as well, have brought in train many heavy tasks which were comparatively rare experiences before—wage deductions involving a maze of calculations and new recording systems, new time calculations in response to legislation governing limitation of hours and vacations with pay.

Have To Be Experts

If hiring and firing is the manager's specialty he may remember nostalgically the simpler ways of the pre-war employment office. Today he and his key men have to be experts in psychology and salesmanship, must keep abreast of new findings in personnel selection and training and, in their spare time, study recent refinements in the art of bringing the boss and worker together.

Whatever his concern—be it production, purchasing, stockroom, shipping, general accounting or the payroll and personnel departments—the office manager of the 'forties has taken on new omniscience and a burden that would stagger lesser men. And his entire staff has shared in the change—even the least of his assistants has become a specialist, in charge severally of the many new branches of recording and the intricate machines and systems which have helped build the whole ponderous economic organization.

Transition No Picnic

Whether or not there is agreement that the war in Europe is skidding to a flash finish, there is less room for doubt about the Asiatic theatre. Actually, it would seem, the Germans as well as the Japs are offering the United Nations perhaps months, possibly another year or more of savage fighting on several major fronts. That means demobilization and industrial reconversion will be gradual. And if it means that, it means new and prodigious amounts of "bookkeeping." Controls, allocations and permissions can hardly diminish in paper work while becoming more selective.

In the last war, every man and woman downed weapons and tools when the bells rang. Ships came home from the seas and whole contingents of youth went back to the land or the workbench. This time, only some of them will be released at first and may be demobilized individually instead of in units. That undoubtedly would mean a new paper blitz of forms, records and analyses to determine which airman can take off into civil aviation and which must remain to finish the war, which soldier may enroll for a job at home and which must stay on the job abroad, which industry is to be allowed to turn to gadgets and which must stick to guns.

No Office Respite

It doesn't look as if office staffs in business and Government soon again will move in the old ways. Even if, as is predicted, Canada's munitions program is cut in half a month or two hence, there remains the production, organization and finance for the all-out attack against the Jap in his homeland, China, Burma, the Philippines and the Dutch East Indies.

That no doubt will prove to be a bigger job and one more taxing in the factory, home and field than many now expect. And while we are playing whatever role may be assigned to Canada in those final battles we'll also be meeting our commitments for European rehabilitation and feeling again for the reconversion gear lever at the same time.

If all this doesn't submerge office staffs and their mechanical aids there will be the final blizzard of paper within which we plan to mount our home attack on economic instability, social inequity and bad housing.

New Jobs Here To Stay

It all adds up to continued and even expanding records and calculations as a major item in business overhead. This war's meeting of business and Government—to control production, supply, prices, wages, foreign exchange, imports and exports, to finance as much of the war's costs as possible out of taxes and savings and to bring new order to worker-management relations—undoubtedly will carry over at least in part into the peace.

For example, the chartered banks are not likely to be relieved at once of many of their special wartime services. Their WPTB relationship may continue even though particular tasks change. If they stop handling the milk subsidy to farmers there may be even wider function for them in future price stabilization measures. Ration coupon banking, foreign exchange control, installment sale of victory bonds, may give place to renewed lending for farm and home improvements, new operations under the Industrial Development Bank Act.

Accounting in Industry

But the average substantial industrial and commercial establishment affords examples perhaps better illustrating the trend to bulk and complexity in office operations.

The munitions plant is a case in point. Manufacturers doubtless are counting permanent gains from stock, price and time accounting methods imposed by DMS to govern the letting, renegotiating or terminating of production contracts. In many cases management may feel it has learned a lot about close control of processes and of costs since the onset of the priorities headache, labor and wage troubles and war contract red tape.

The Department of Munitions and Supply Act (sec. 13, subsec. 2) provides that anyone who has entered into a munitions contract must keep detailed accounts and cost records. And DMS last March, when it issued its manual of procedure on termination of contracts, warned that manufacturers who had failed to set up adequate cost records might encounter delay in claim settlement or might suffer settlement on a basis of the Government's own calculations. Knottiest problems of settlement obviously arise in cases of cancellation prior to completion. And, for the prime contractor, there is the major complication of subcontractors' claims. Thus in the whole setup is seen an amazing volume and variety of paper work, from contracts themselves through inventory, cost and time records, to the documented applications for settlement that close the war production book.

Production management collectively must have added considerably to its knowledge of cost accounting. In the past five years, purchasing and processing have been on a maximum scale and the urgent demand for speed has uncovered some surprising short cuts. Innovations and experimentation which no peace schedules or budgets could have supported, have permanently changed production patterns in many lines.

And to observe, record and analyze the benefits of these new methods, to control costs within the narrow margins imposed by effective mass production, to increase man-hour output and to schedule interdepartment and intermachine function, will be an even bigger task for industry's executive brains, business machines and paper when civilian goods once more are paramount.

Payroll Burden Doubled

Payroll and personnel organizations in every kind of business establishment have undergone far-reaching change and enlargement since Hitler's first mis-step to the East.

The war of the forms has raged far beyond the confines of factories. Insurance companies and department stores have had to add to calculations and records which were already at least as complex and onerous as those of the manufacturing world. Theatre, gas station and store chains have been compelled to expand their own complicated accounting and control systems and so have transportation systems, great hospitals and most other cogs in our massive commercial and institutional machine. Price, trade and labor controls for war have burdened all about equally.

How much of the new payroll procedure will stick?

The Financial Post finds among payroll managers little doubt that many of the new burdens of the pay office are permanent; that office staffs will have to keep right on into the peace with the exhaustive daily entries and calculations necessitated by deductions, vacation credits and the like.

When the final installment on the final victory bond is deducted and payments on account of war savings certificates are a thing of the past, their place may have been taken by group savings plans, Christmas and charity fund deductions. Income tax doubtless still will be deducted in large part at the source, the unemployment insurance levy will go on as at present and there may be besides, group life and accident insurance, pensions and annuity plans.

Adding still more to the fury of payroll office activity these days and in those to come are the copious recording and the continuous study necessary to keep up with labor code regulations and union agreements. There is, for example, the comparatively new practice of deducting union dues at the source. Legislation limiting hours of labor calls for individual, cumulative time records while that providing for paid vacations is another example of how changing labor relations are costing payroll officials many a fretful hour, especially in seasonal industries or broken time operations like construction.

"Personnel" is another new giant among the offices of the nation's business and here too are ramifications born of war which appear likely to continue into the peace.

Besides the paramount job of selecting and training workers there are a hundred subsidiary and morale-building chores which might come under the general heading of "service and relations."

Transportation schemes — company buses, share-the-car transit systems now know as WIT, and others—are helping workers to get to war work today, may be found worthwhile as a permanent fixture.

Large-scale recording in many cases has been necessary to keep track of employees overseas, their advancing ages, rank, capacities, trade training, etc., combined with old records of their pre-war performance, promise and seniority. Records of this degree of intimacy may be found of permanent value in observing workers as candidates for relocation or promotion. In great mercantile establishments equally with manufacturing plants there is growing use for individual records covering employee background, skill and employment history.

These are some of the newer trimmings; the big personnel jobs are of course selection and training.

Selection has been brought to a fine art by this war's armed services and the speed and thoroughness with which business and industry have been borrowing systems in this field has assured them a permanent place. As Group Capt. S. N. F. Chant, RCAF Personnel Selection and Research Director, wrote recently (The Financial Post July 22, Aug. 5, 1944): "Some of the most valuable leads for peacetime development which will come out of the war will concern the use of service (psychological) methods for the selection, training, advancement, control and care of personnel."

The simple medical examination and reference to scholastic records, letters of recommendation and single interviews no longer are the main steps to employment in many big civilian organizations. Scholastic records have been found to be influenced too greatly by inequalities of educational opportunity, varying academic standards and local conditions. Letters of recommendation were largely unenlightening since they were uniformly favorable. And interviews themselves have been considered not entirely successful.

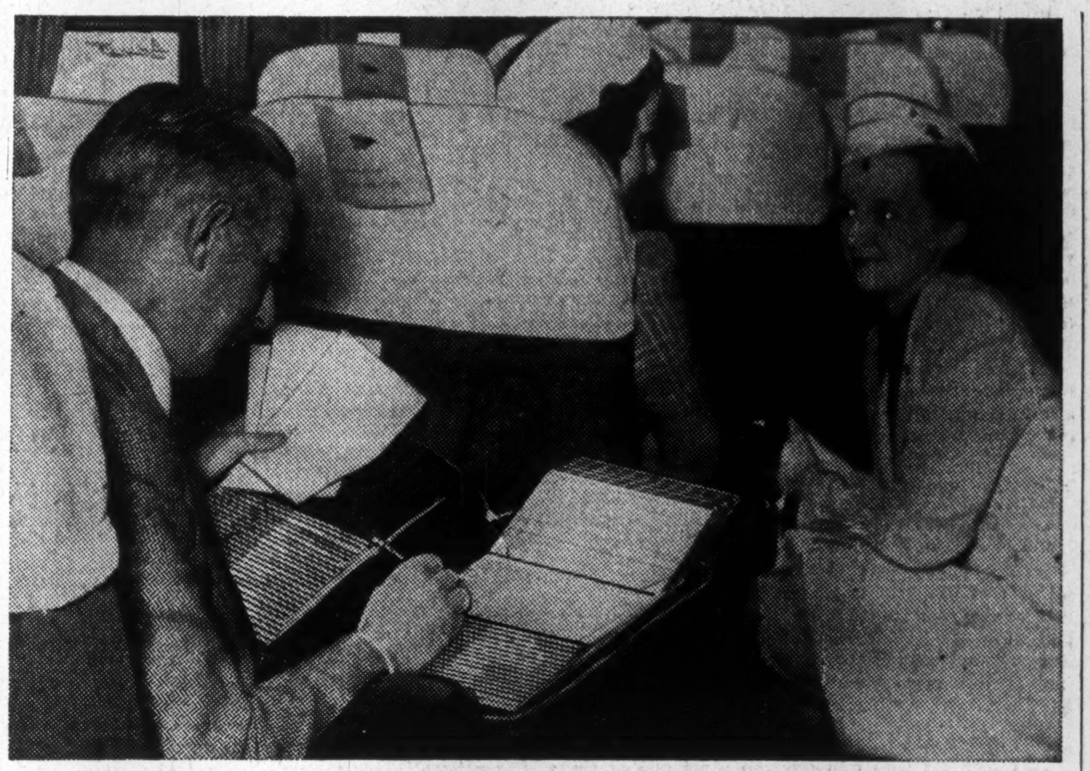
The RCAF's psychological tests may be of increasing value in large plants, service systems and commercial establishments after the war, said Group Capt. Chant. He explained the system as simply the setting of a task and observation of performance—a standard task, performed under uniform conditions and scored on an accurate basis so that each man may be measured against the rest.

The RCAF program of personnel selection—and the record of Canadian flyers and ground crews in this war makes it look like a very effective program indeed—is one of several levels. At the recruiting centre there is a basic test indicating "trainability." Later a battery of aptitude tests is employed for classification purposes and for some trades additional selection methods are applied at higher levels of training to determine what trade an airman will ultimately follow.

New Training Tricks

To the new refinements in personnel selection developed largely in the armed forces, industry has added some permanent gains in training methods. Business offices too in many cases have developed systems of formalized and rapid instruction in response to rapid personnel turnover. But industry's "JIT—JRT—JMT" systems of job instructor training, job relations training and job methods training in co-operation with the federal Dept. of Labor (The Financial Post, Jan. 8, 1944) have attracted widest attention and given most promise of peacetime value.

In all, management's job has grown mightily and centred increasingly around scientific control systems which rely on capacity and efficiency of office personnel. As the war nears its close the battle of costs, postwar markets and stable employment draws ever nearer. Direct profits won't be made in the office but they will be conserved there and the new office jobs, and new methods and machines for doing old office jobs better, undoubtedly will help business to discharge increased responsibilities as Government controls are relaxed.



With their companies doing much-expanded business these days, executives on business trips no longer try to keep the information in their heads. Instead they carry it about in a natty leather portable record system which contains in reduced, legible, easily consultable form as much information as a large filing cabinet might hold. Made by office equipment designers for use in planes, on trains and even in taxis, the portable record system can be varied to do any number of jobs, from sales and personal recording to stock control work.

Office Machines See Vast Market

Surveying the business machine and office equipment industry in this issue, The Financial Post finds it approaching the coming conversion more calmly than some other industries. For it is standing on the threshold of a greatly expanded domestic market.

Projected social legislation, with its impact on office bookkeeping, and the insistence of progressive businessmen on the most careful and continuing analysis of their companies' financial health have led to more and more reliance on mechanical aids. And the need for greater efficiency and speed has inspired radical developments in machine design and office layout: "convertible" desks, hot water heated concrete floors, fluorescent lighting, are contributing to a brighter, more efficient office for tomorrow.

Have We a New Farm Empire in Northern Ontario?

Millions of Acres of Rich Land Waiting, but Bush, Privation and Markets Are Major Handicaps

In between the granite backbone of Ontario and the muskegs which screen James Bay lies a great block of clay soil—level, rich, deep and free of rock. There are close to 20 millions of acres, most of them absolutely empty.

Will this country absorb thousands of ex-service men who may wish to farm after the war or a new flood of immigration from Europe? A Post writer just back from a 1,000-mile tour of the Clay Belt gives a candid appraisal.

By GORDON L. SMITH

Within a few months of the ending of war in Europe some tens of thousands of returned service men will be looking for farms in Canada. Very shortly afterwards, it is expected, might also develop, if officially encouraged, a new flood of immigration from wartorn northwestern Europe.

Where can these people be settled?

It was partly to answer that question and also to investigate at first hand present settlement conditions in northern Ontario that a party of 25 farmer members of the Ontario legislature and agricultural officials, plus this Financial Post writer, headed by acting premier and minister of agriculture, Hon. T. L. Kennedy made a special seven-day tour of the New Liskeard, Cochrane and Hearst areas last week. Farms and potential farm areas were inspected, crops and livestock of various kinds were seen, a multitude of suggestions and criticisms from pioneer settlers, local agricultural observers and experimentalists were noted. Out of the tour, it is expected, will develop a new and definite settlement policy for northern Ontario.

Two Clay Belts

In the area visited, which comprises the two great clay belts of northern Ontario, it is estimated that there is somewhere between 15 and 20 million acres of potential farm land, a total only about one fifth less than Canada's normal wheat acreage. It is much the largest single block of unused farm land left in Canada or on this continent. Nothing that even approaches it in size is to be found nearer than north of the Peace River district.

With the exception of some sandier higher areas, the bulk of the land is flat and a rich, deep clay. Where cleared, the country bears a remarkable resemblance to the prairies of Manitoba, a resemblance heightened by the type of farm buildings and villages throughout most of the area. The only immediately apparent difference is, that in northern Ontario, one sees no country grain elevators clustering around the railway stations. There is some swamp area, but not a great deal of running water, and over thousands of square miles not a stone large enough to brain a partridge, let alone build a stable. For road and other buildings, however, there are within reasonable distance in much but not all of the area, beds of gravel and sand and some isolated outcroppings of rock.

Climate is similar to that of western Canada except that there is more fall and winter precipitation, heavy fall rains interfering sometimes seriously with late haying or harvesting. Frosts come early in September and until larger areas of bush are cleared summer frosts will continue a menace in the northern half of the area.

Bush is Bottleneck

Unlike the wide open sections of the western prairies, this clay belt country is covered with some sort bush, with the exception, of course, of the small clearing (possibly two or three per cent of the whole) done by settlers who first came into the southern part of the country about 35 years ago.

Clearing of this bush is the biggest single problem confronting any general settlement scheme, though it is by no means the only one. The trees, as a general rule, are not large. In some areas which have been burned over in fairly recent years they are not much bigger or tougher than are encountered in the northerly farm areas of Manitoba, Saskatchewan and Alberta. In very few cases would they even approach the timber that the pioneers of old Ontario and Quebec had to face. The usual run is spruce of pulp wood size, from eight inches to two feet through at the butt, and from 25 to 40 feet high. The roots are usually shallow, only about a foot deep in the top layer of black muck.

Clearing to date has largely followed the primitive and extremely laborious methods of pioneer days in early Canada. Settlers have been given a block of land, usually not more than a quarter lot of 160 acres but in many cases only half that much. To secure full title they have been required to clear so many acres each year. This they have done by cutting down the trees with an axe, selling what they could to the pulp or lumber mills, slashing and burning, and pulling stumps by hand or with a team of horses. Two to four acres cleared per year has proved a big job for many settlers in the tougher areas where the bush has been large and not previously burnt over. The cost, various settlers told me, has ranged up to $60 per acre.

Many Farms Abandoned

In thousands of cases settlers have become discouraged with the hard work, the privations and the loneliness and have abandoned their holdings. Empty, tumbled down shacks and houses are not uncommon even in the oldest districts.

Of several hundred returned soldiers dumped into the bush around Kapuskasing after the last war only a single one remains today. The others, becoming discouraged, abandoned their clearings. This land, together with that abandoned throughout almost the entire northern area, has since been taken over by French Canadians. This nationality now accounts for at least 75% of the rural population of the north and the proportion is growing steadily. Experienced in pioneering and used to the climate these people have overflowed from the settled areas of northern Quebec and bringing churches, schools and roads with them, have built up solid and almost continuous communities in a narrow belt all along the arable land sections of the T. & N. O. and C. N. railways from New Liskeard to Hearst, via Cochrane. With a few notable exceptions they seem to be making only a precarious living, supplementing farm returns with wages from fall and winter's work in the lumber and pulp wood camps. Judging from the complaints fired at Col. Kennedy's party they are by no means completely satisfied. They have, however, made steady progress in clearing land in the last 25 years and at their present rate of progress and population growth, they might settle and occupy the whole of the clay belt in 150 to 200 years. In that case the area would be almost solidly French speaking, it is generally predicted.

Chief Complaints

Chief complaints of the average settler are these:

1—It costs too much and takes too long to clear land by individual "hand" methods.

2—There are too few roads especially good ones.

3—In most areas adequate markets are not available to settlers.

4—Original land grants, 80 acres in many cases, were not nearly large enough to enable a man to develop a prosperous farm.

5—The authorities have not provided adequate district drainage ditches.

Those five complaints are heard in all areas no matter what the nationality. In addition, in areas of English speaking settlement, there are these:

1—There is a serious shortage of public schools and teachers. Many parents have had to send their children to high schools in old Ontario and keep their younger ones at home during bad weather.

2—There is too much privation and loneliness, with houses poorly equipped, far apart and distant from churches, schools, stores, movies and general community life.

3—There are not enough people especially of the type to make good farmers.

4—Cheap electricity is unavailable to the farmer.

5—There is a serious lack of technical agricultural knowledge regarding most suitable crops, livestock, production and marketing methods.

Perhaps it is not strictly correct to attribute the latter criticism to the English speaking settlers only but in the main it would hold true and largely because the French are settled in more solid communities with their own separate schools, churches and village centres. Moreover they seem more accustomed to pioneering and I was assured by several of their leaders, that they have not the same longing for electric light, bathrooms, etc., for the simple reason that they are generally accustomed to going without such conveniences.

What Are the Cures?

So much for the ills—now for the cures. This is where one runs into difficulties, because outside the major complaints listed in the first group there is not a great deal of unanimity and there is considerable controversy. Chief trouble seems to be that no one, particularly the English speaking settlers, is agreed or knows exactly what future faces the north.

Some see a combination of the natural industries, lumbering, pulp and mining with part time farming. Others state flatly that a good farmer must stick with his land. If he works part time in the bush for the pulp or lumber mills, they argue, he will neglect his farm when it needs his attention most; that he cannot develop good livestock, make his home comfortable.

Others will argue that this country should be settled with real bush farmers, people like the Scandinavians, who have experience with handling wood and small farm holdings. After the war these observers would make a drive to secure fairly large scale immigration from Norway, Sweden and Finland.

Condemn Dumping

On one point, however, all seem to agree. It will not go, they state, to dump people in the bush and expect them to develop either the country or their own farms. With returned service men, other settlers both from the older parts of the country or Europe, they should be located in solid communities, it is said, where they could enjoy almost immediately some sort of community life with schools, churches, and shopping centres convenient, such as one finds already in many of the French speaking districts. These observers insist that some expert agricultural supervision for at least 10 years is essential. A few admit that it may be difficult to supervise a returned service man already fed up with army discipline. But they think the policy might work if the supervisors are chosen for their diplomatic as well as agricultural skill.

Most observers also seem agreed that the old time settlement methods are out, that the authorities cannot expect men who desire to farm, to spend at least ten years clearing off the bush before real farming is possible. Instead of this slow, lonely and backbreaking process, they would adopt the system that is achieving remarkably successful results in Quebec. There the authorities have provided powerful land clearing machinery at nominal cost. Tractor hauled brush plows go in and turn under the smaller bush, big bulldozers tackle the heavier growth, odd hilly fields are levelled with scrapers.

Power Clearing

Costs to the settler run around $15 an acre with the Government absorbing a $5 to $10 loss. A modified plan may be adopted in Ontario when much surplus equipment of the kind mentioned should be available after the war. This machinery could be owned by the settlers co-operatively and operated at cost or it might be rented from the Government at so much an hour or acre.

Most authorities think that before any settler is brought in the Government should provide connecting roads, clear at least ten acres of land per farm with power with machinery, fence, and probably erect a house and barn.

With such a start the settler could commence farming operations immediately and by renting from a district pool of power machinery, he could hope to have a hundred acres or so of land cleared and in crop within five years.

On the size of crown grants given a settler there is some difference of opinion though all agree the old maximum of 80 acres was much too small. The minimum most experienced people say, should be at least 150 acres, and others would step that figure up to several hundred. Much will depend on the type of farming adopted. Dairy farmers may require less, beef cattle and grain farmers more.

On the great majority of operating northern farms the Kennedy party visited last week, in three cases out of five, there seemed to be enough farm machinery to operate double the acreage actually under crop. Many of these farmers had their own threshing machines and big tractors. With more solid settlement, some of these machines might be pooled.

Community Settlement

In regard to the lack of community development in English speaking districts the main trouble, I was told repeatedly, stems from the present spotty settlement policy. For no apparent reason at all or for perhaps the lack of district drainage or roads, miles of bush may separate individual farms. Two solutions are offered and both may get a trial soon.

Both would have the authorities make an effort to collect isolated settlers and bring them into more developed districts—in other words concentrate the existing population and then make that general policy. There are literally millions of acres of almost identical soil and not a great number of old settlers to move so that the job seems practicable. From this point on, however, the two plans vary.

The most talked of one would copy Quebec colonization plan of farms three times as long as the road frontage. This would permit 14 150-acre farms to the mile. Along the road the land would be fully cleared and the houses close together. At the rear would be the bush lots and in every community, preferably along streams or in wet country, would be a permanent forest lot, crown or co-operatively owned, assuring a supply of fuel and lumber and of equal importance, protection against droughts and erosion.

The other plan embraces a complete community unit settlement. A block of land sufficient for say 20 150 or 200 acre farms would be chosen. Preferably, but not necessarily in the centre, a site for a village would be chosen and here all the houses would be built, sufficient to accommodate all the farm families as well as those for a school teacher, clergyman, storekeeper, etc. Barns might be here also or on the individual farms which in no case need be much over a mile from the village.

In both cases, of course, the Government would be expected to provide roads, a considerable block of preliminary clearing, perhaps build the initial houses and barns, and also provide adequate agricultural supervision covering both production and marketing. Objective of both plans is to bring farm families more closely together, so that there may be real community life and also so that they may learn from each other and may work more closely together.

Under either plan there would be fewer side roads and there could be better main roads, schools and churches would be handier, and conveniences like electric power, telephone should be less costly. In the village unit, in fact, the plan calls for a common water and sewage disposal system.

Market Problems

Distribution is the main bottleneck in marketing. Actually this country with its thriving mining and pulp mill centres like Timmins, Sudbury, Kirkland Lake, Iroquois Falls, and Kapuskasing and its hundreds of logging and lumbering camps brings in well over 90% of its food from outside the clay belt. Scores of cars of butter, bacon, beef, eggs and potatoes come in from the south or the west every day.

The chief trouble is that most northern farm districts are producing just a little too much food for their very local requirements, but

(Continued on page 19)

Typewriters

Supply Prospect Brightens

Canadian Industry Reflects Start of U. S. Conversion

Photo—Public Information.

Figures don't lie in the RCAF, and for the two reasons seen here: speedy machines and operators who can get the most out of them. For a time it was feared disposal of Government-owned business machines now in the armed services and war industry might hit postwar markets. Now it is felt much of this equipment will have depreciated to a point where it is virtually used up. And plans for social security and modernization of permanent Government offices may increase rather than diminish this particular market.

Because Canadian typewriter makers depend on the United States for certain basic machined parts not made in the Dominion, conditions in the Canadian industry tend to mirror those south of the border. Consequently shortages of essential parts there cause tightened supplies here and any relaxation across the line eases the situation in Canada. With the recently announced permission from the U. S. War Production Board to specified American typewriter companies in noncritical labor areas to ease off war production and step up the typewriter manufacturing business again, Canadian industry brightened simultaneously.

After Pearl Harbor when the American companies went into production of war material—from Springfield rifles to Winchester carbines and innumerable fine machined parts which the business machine industry was staffed and equipped to handle expertly —Canada suffered an acute shortage of parts. As a result, the subcontractors who do the steel, rubber, lacquering, nickelling and case work on the Canadian product, were held up. Coupled with this, stringent restrictions governing manufacture and distribution of the machines were imposed and only the armed forces, government and highest priority industry were able to satisfy, to some degree, their requirements. Moreover, the expected turn-in of used typewriters by the public did not come up to expectations because, it is said, the public were disappointed in the prices—frozen by the authorities —which the purchasers could offer.

To Get "Trickle" of Parts

Today, with the U. S. Government permitting resumption of manufacturing of typewriters and parts up to 9% of normal volume, Canadian fabricators are hoping to get a "trickle" to enable them to start rolling when the sign is given.

In the meantime, The Financial Post is informed, Canada's WPTB, following closely on the WPB lead, has relaxed restrictions to a slight degree on distribution of Canadian machines. Men in the industry are quick to remind the public, though, that this does not mean typewriter purchases are no longer subject to control. They emphasize that a new or even a used typewriter of recent vintage cannot be sold except under WPTB permit. But whereas a year ago typewriters were available only to the armed forces, Government and highest priority industry, today, they say, a permit can be secured to release a typewriter to what then would have been regarded as highly nonessential.

Industry spokesmen, though they hesitate to gauge the possible volume of trade in business machines after the war, nevertheless indicate belief there will be a tremendous backlog both for replacements and for additional machines.

For one thing, many old ones have become worn out recently through war pressure and insufficient servicing. Normal replacements, it is said, should accelerate 25% annually during the first four postwar years and may even continue somewhat longer. This opinion is based on the fact that the industry generally sets 10 years as the average time for regular replacement of machines. Since five years have been absorbed by war, it is believed it will take the industry about four years to catch up on war replacements alone. The market for replacement of business machines is foreseen to be larger than that for new sales.

The "Big Four"

Four companies in the U. S. do 95% of the American typewriter business, and the same big four are responsible for fabricating rough parts and assembling bulk of Canadian typewriters. Likewise five major companies distribute the greater proportion of book-keeping and calculating, adding, billing and duplicating machines and cash registers. Volume and value of their output in Canada between 1933-1941 is seen in the following table which shows typewriter output with a five-fold increase and adding machine production more than doubled during the period:

BUSINESS MACHINES PRODUCED IN CANADA
(Source: DBS)

Year		Type-writers	Adding machines	Acc't'g machines
1933	....No.	13,157	......	......
	$	717,223	......	......
1934	....No.	16,307	2,592	......
	$	840,293	241,195	......
1935	....No.	15.866	2,963	......
	$	790,763	302,105	......
1937	....No.	53.079	4,187	......
	$	2,437,267	493,214	......
1941	....No.	68,106	5,274	......
	$	3,453,019	390,627	$1,340,348

As late as 1939 chief outlets for Canadian typewriter exports were the United Kingdom and Empire countries with a small proportion going to Belgium, Netherlands, Norway and Sweden, and a very negligible quantity to the U. S. In that year Canada shipped over 21,000 typewriters and parts valued at $1,125,394 to the United Kingdom, nearly 8,000 valued at $375,049 to Australia, 347 worth $20,854 to Norway.

Following is a table showing destination and numbers of typewriters and parts exported from Canada from 1939-1942, and indicating the change in the typewriter export picture:

How Exports Dried Up
(No. exported, typewriter parts and typewriters)

Country:	1939	1940	1941	1942
U. K.	21,160	2,632	23	..
Ireland	50	..	..	.
Br. E. Af.	19	7	..	..
Br. S. Af.	134	6	125	34
S. Rhodesia	76	..	38	..
Hong Kong	145	57	41	..
Nfld.	4	7	39	..
Australia	7,852	5.791	5,778	2,281
N. Zealand	821	58	48	190
Belgium	182	59	..	..
Netherlands	431	10	..	..
Norway	347	88	..	..
Sweden	270	11	28	..
U. S.	27	3,144	6.616	1,150

Revival or extension of export markets after the war is believed to be governed by question of tariffs. It is pointed out that if a form of Empire preference should exist it might be more profitable for the business machines companies to ship from Canada to Empire countries, instead of from the U. S. In that event, a considerable expansion of the Canadian end of the industry may be anticipated, with the possibility a 100% Canadian-made typewriter might be produced from all-Canadian materials and by Canadian labor.

Those branches of the business machine industry in Canada which have been on war work estimate their conversion to civilian production will take 60 to 90 days from the word "go." Because most of them were engaged in making small parts which is ordinarily their main task in peacetime, they did not have to overhaul their plants and install bulky or new equipment to handle their war job. Consequently they can reconvert quickly and without undue expense or difficulty.

L C SMITHS
ARE BACK IN PRODUCTION

Precision Craftsmanship . . . a SMITH-CORONA Tradition

The war production entrusted to us called for precision craftsmanship of the highest order. But now our war work is over . . . and once again our skilled craftsmen are building L C SMITH and CORONA typewriters to the same exacting standards upon which the SMITH-CORONA reputation for dependability was gained.

It is still necessary to make application for new typewriter purchase to WPTB—and since many firms are waiting to secure L C SMITHS, it is advisable to act at an early date. Phone or write us for the requisite WPTB application form.

L C SMITH & CORONA TYPEWRITERS OF CANADA LIMITED
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Branches and Dealers Throughout Canada

New Efficiency the Order

Fluorescent Lighting, Noise Absorption, Features

More conveniently arranged office buildings, with more emphasis on better lighting, generally of the fluorescent variety, properly air-conditioned and with noise eliminated as much as possible, appear to be the lines along which modern architects and building designers are working. Undoubtedly, in this new architectural future, the four walls and a roof type of office, with a few desks and uncomfortable straight-backed chairs will not satisfy the business man.

There are many examples of this new trend in business architecture. A typical example is the National Gypsum Co. office building in Buffalo, N.Y.

Describing it, The Architectural Forum calls it a "three dimensional expression of industry's new determination to provide its workers and management with working facilities which reflect the efficient and loyal efforts of the staff, and in fact, which effectively aid those results."

Efficiency Jumps 30%

In this building, a clean, attractive, efficient working interior is provided. Naturally, the design of the building and the offices are pleasing to the eye, but the effect is far more important than merely decorative. Tests show that improved office conditions have resulted in "an average improvement in accuracy, steadiness and work output of nearly 30%, due to sound control, proper lighting, air conditioning and other amenities provided."

Offices for the executive staff are notable for the careful selection and design of furniture to harmonize with wall and ceiling treatment.

In the general offices the steady repetition of simple units—desks, lighting strips, ceiling panels, windows and air-conditioning units—has provided "an interior at the same time restful and peaceful."

In rooms where business machines are used, the walls as well as the ceilings are acoustically treated. This, in fact, is one of the more important developments in the office designed in accordance with modern practice. In one of the most up to date office buildings in either North or South America, the Institute of Retirement and Pensions headquarters at Rio de Janeiro, Brazil, all offices where business machines are used have both the ceilings and walls lined with sound absorbing material, while the individual machines are separated from each other by double screens of Acoustic-Celotex.

Panel Heating

One of the newest of these modernly designed buildings is the administration building of a California chemical plant, located on a mound in the middle of ground on which the manufacturing buildings are dispersed. Built of reinforced concrete, the cement floor is heated by hot water, circulating through a system of hard copper tubing installed in the flooring.

The architect worked out suitable designs for furniture and fixtures along with his building plans.

Individual desks in the general office have been replaced by two-level work tables, 10 feet by 5, with adjustable side tables for office machines. The reception desk, also a two-level affair, was worked out on the same principle. It has a solid base of concrete. Special chairs, designed for use on cement floors, with smooth-running castors, have backs and seats padded with latex cushions and covered with woven material. The president's office is featured by a huge circular window, from which he has a view of the entire construction plant. His desk, built up flush with the window and extending out toward the middle of the room, gives plenty of room for conferences, as well as space for drawings and models.

Glass Blocks for Light

Possibly the last word in industrial designing is an American war plant worked out by Nembhard N. Culin, and which is still a pretty hush-hush affair.

The fenestration of the administration building, combining the use of clear glass and glass blocks, is worked out to give "the best possible outlook and lighting for the company's extensive general offices, while conserving heat and 'cold' in the air-conditioned building." These general offices, despite their 60-foot width from wall to wall, get excellent daylight through the high, continuous glass block panels which top the windows and extend to the ceiling.

Cleaner Factories

Of the Factory of the Future, designed by engineers of the H. K. Ferguson Co., The Architectural Forum says: "This picture presents a factory as clean as a hospital and a lot more attractive. It questions the very basis on which our mammoth war plants have been built. Most significantly it recognizes the fact that just as the industrial plant changed our lives, so must life change the factory. Its matter-of-fact acceptance of nurseries, solariums, recreational and health facilities marks a new social attitude on the part of both management and labor, an attitude that even social reformers would have considered Utopian a few years back."

This plan for factories of the future envisages startling new layouts of the sawtooth or monitor design, with an eye to the favorable effect created in the minds of air and highway travellers, with more convenient parking places for its employees, shopping centres for women workers, recreational areas, and working plants streamlined. Needless to say networks of pipes and machinery in ceilings have been concealed.

Achievement at Rio

Builders of the IRB government building in Rio are so proud of their brain child that they wax poetic about it. They describe it as "a building of lyrical quality, with something of a Venetian flavor . . . an adventure in composition."

This building, a classic in new design, even has a roof garden which, it is said, "lives up to its name." It is complete with mosaic panels on the walls partially enclosing it, designed by the artist Paul Werneck. In this building one whole floor, and the roof, have been given over to recreation facilities, including a club, a bar for refreshments, library, nursery and auditorium.

Improved lighting, of course, is one of the matters which has been studied very closely, and which many business firms have found most convenient to adopt as a first step in the right direction.

In its "Guide for Planning 50 Footcandles of Fluorescent Lighting," the Canadian General Electric Co. Ltd., says: "The fluorescent lamp offers the means for economical attainment of comfortable high level standards—levels which many years of lighting research have proved to be desirable for eyesight conservation and ease of seeing."

"Lighting techniques will always furnish a topic for discussion in factory planning," says The Architectural Forum in discussing the Factory of the Future, designed by H. K. Ferguson Co. engineers.

"Fluorescent lamps have been improved since their introduction and new types are being developed for the factory of the future. Flush ceiling units can be supplemented by optical projectors supplying high-intensity illumination at the working plane. Lighting adjacent to windows will be controlled by photo-electric cells so that there is always a balance between natural and artificial illumination."

REDUCE
YOUR PAPER TAX

Many companies have discovered that the pressure of war-time production has created a new hidden tax — a tax that is ultimately reflected in higher prices. By widening the gap between what people *want*, and what they can afford, it reduces sales, slows up production, wipes out jobs.

It's the tax imposed on products by inefficient paper work . . . the waste due to inadequate control systems in both office and factory. It's the high cost of records . . . not the cost of paper and ink, but the price paid in time and labour to make and operate them. Elimination of this tax offers an almost untapped source of cost-reduction that can be reflected in the selling of your products.

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This policy of superior machines and superior service has kept Burroughs the leader from the very beginning. Burroughs local offices are conveniently located in all principal cities. *Always* call the *leader*—Burroughs.

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MAINTENANCE SERVICE • BUSINESS MACHINE SUPPLIES

Bigger Markets Loom After War

Say Mechanical Aids Can Ease Burden of Modern Business Procedure

Three factors mold the estimates of business machine makers and distributors in regard to postwar outlets.

They note Government tending more and more to supervise the national economy, this requiring business to make reports on many transactions never before contemplated.

They have seen business itself demanding more exacting and exhaustive analyses of production, sales and distribution figures to guide expansion into new lines.

They observe expanding social legislation and its impact on the employer who has to keep elaborate records for his own as well as Government scrutiny.

In the light of these trends, the business machine industry anticipates no shrinkage of the postwar market, rather an expansion of the domestic field.

When the Government announces a new tax or launches another victory bond campaign, business offices across the country feel the impact before the wage-earner. For it is on the accountants, bookkeepers and stenographers that the burden falls first—the heavy job of recording pay check totals and deducting income tax, savings, etc. Because industrial bookkeeping over the years has become so extensive and laborious, business had to get help. Mechanical aids—calculators, bookkeeping, adding, duplicating machines, typewriters, cash registers and voice recording machines—proved to be the answer.

Mechanization Hastened

Changes wrought in office procedure of a result of the war have also led to greater use of business machines.

Every business, for instance, has had to operate with depleted personnel and limited equipment. Managers therefore turned, in many cases, to the business machine to replace this lost labor. Previously, having got by with fewer machines and plenty of help, they had not troubled to spend much money on business equipment. But under a war economy their first act was to substitute where possible machine aids for vanished human assistants.

The jobs which business machines can do are remarkable today not so much for variety as for intricacy.

Take a life insurance company. Essential to its successful operation is its ability to make exhaustive studies of rates and averages involving perhaps thousands of policy holders. Such work can only be done by machines which save time and minimize danger of error.

Meat packers, as a second example, have to analyze statistics. If Salesman John Smith turns in a $1,000 order for meat products, the general manager will want to know the number of customers the order is to cover, what brands of meat were sold; he will want to know whether or not the brand is a money-maker, if the $1,000 order just represents volume, not real profit. To find out these things, the business office turns to an accounting machine.

Handling the payroll used to be a simple matter: the pay foreman merely broke down the list of names, noted the hours a man worked, did a little mental arithmetic and stuck some currency in an envelope. But today it is different! With deductions to come off pay checks for income tax, unemployment insurance, Victory Bond payments, etc., to pay the men each week would be impossible without mechanical aid. Here the bookkeeping machine has an important role. Latest models are equipped for payroll work with registers which can be removed or added to the machine according to the number of deductions to be indicated. The Post is informed of one machine fitted to handle up to 22 deductions from pay checks.

Typewriters Aid Bombers

So much for the mechanical giants. What of the typewriter which is now so much a commonplace of office operation that its importance is sometimes unfairly overshadowed by the bigger machines?

During the war it has proved its value over and over again. For instance, when the chief strategist in a war sector decides on a line of attack, he may order 1,000 planes to take to the air on a saturation raid over the Ruhr.

To brief the crews of these aircraft with detailed instructions for attack, to ensure that the planes are properly serviced, that each and every aircraft leaves on its split-second schedule, involves a tremendous amount of administrative work, bulk of which is recorded on typewriters.

"A similar volume of paper work is done when the planes return; for reports on damage done, observations and other pertinent data are carefully reported and recorded—again on typewriters.

The same seemingly endless work which only a typewriter could handle occurs when a convoy is being dispatched, when an army is being readied for embarkation. Truly modern war and industry would be irreparably slowed were it not for the typewriter which bulldozes its way through mountains of paper work, clearing the way for executive action.

Men in the industry, anticipating a considerably expanded market for office machinery, however, discount talk of radical new models.

Like the automobile industry, the typewriter and business machine manufacturers expect that for some time the usual models will be marketed. With this proviso, though, that as new jobs emerge which can be done on business machines, new attachments will be added. They foresee this process continuing until it will be necessary to produce a wholly new, basic machine. At that time, they say, they will then proceed again to improve and add attachments to the new model as business requirements demand.

Despite pressure of war work, the industry has not neglected to think of its return to making typewriters and adding machines.

Plastics and the new light alloys which have proved so successful in munitions making are believed to have possibilities for business machines. Definite information is not yet available, but industry men tell The Post they think it feasible to make typewriter frames, for instance, out of the special light non-ferrous alloy metals. Such a step, they believe, would reduce weight and noise, the latter being one of the perennial headaches of business machine engineers.

Plastic ribbon spools, for instance, were used when metals were in short supply and were found adequate.

The application of electricity to business machinery has grown apace and is still being studied. One of its chief virtues is that it lessens operator fatigue appreciably, but is admittedly noisy.

Electronic Dictation

One of the newest developments is voice recorder electronic dictation. The latest model which has been used by the Government since start of the war and by some high priority business offices, is contained in a neat steel stand, fitted with a smart desk or hand microphone, instead of the old mouthpiece and speaking tube. The microphone will pick up messages from almost any point in the room, thus is useful for recording conferences as well as for taking down letters, memoranda, instructions and reports. A larger model will record speeches delivered in an auditorium.

This device may be equipped with two cylinders, instead of one. These operate automatically, the one taking over just a few seconds before the first is completed, thus ensuring uninterrupted recording, and frees the person dictating from necessity to interrupt his train of thought to put on a fresh cylinder.

Still more recent models use a plastic flexible material, instead of the wax cylinder, as the recording medium. Chief advantage of the plastic material over the wax cylinder is in saving of space and the fact that the plastic is practically indestructible. The plastic loops are used but once whereas the wax cylinders are re-surfaced by a shaving machine, and used over and over again.

Telephone Pick-up

One of the fantastic applications—to the layman at least—is its ability to pick up two-way telephone messages. Merely by placing the telephone on a slim, plastic stand which resembles a small black ledger, but which contains an induction coil, most models of electronic voice recording machines will take down conversations from both ends of the telephone.

Before the war a large concern marketing perishable products used one for taking down salesmen's orders, transmitted from various points in the country to head office. It was found to be a time-saver, as well as a valuable supplement to telephone service. Orders could be placed faster and customers serviced quicker.

Here's how it worked: a salesman was given a number and at a certain hour each evening he was allotted a special line linking him with head office where a boy on duty operated the receiving end of the machine. When the switch was thrown, the salesman simply read his orders over the phone as fast as he could go, the orders being recorded on a cylinder. One transcription of the information on the cylinder provided the order, the invoice, necessary labels for shipment, etc. This was much faster than the old system and the salesman was saved time-consuming and tedious order-writing.

Possible postwar uses are visualized by legal firms. By installing an electronic voice recorder, the firm will save time when a junior, for instance, has to search a title at the Lands and Deeds Registry Office. Instead of laborious notation of the facts in the case, he will report them over the phone onto a voice recorder.

Already these electric recording machines are used in the X-ray and pathology departments of some Canadian hospitals. The doctor records his findings by means of a microphone pick-up, operated for start and stop by a foot pedal, thus freeing both hands for the handling of specimens or X-ray plates.

Air Traffic Control

The newer electric recording machines, those using the plastic material as a recording medium, have found their most important war use up to the present in control of airway traffic.

A staff of men and women, stationed at various points throughout the country send out continuous instructions regarding speed of flight, altitude, weather and traffic information to the pilots of planes. Transmitted by direct wire to the airfield, these messages are relayed by radiophone direct to the planes, which in turn notify the ground they have received the information.

A complete record of all these ground-air conversations, of the two-way inter-telephone talks between the control centre and radio transmission point, is carefully kept by means of batteries of electric belt voice recording machines.

They have not yet been released to the public, The Post is informed, although they are reported in use by the Dept. of Transport on airports throughout Canada.

The electric recorder has been used extensively since the war by Government listening posts where monitors retain a permanent record of propaganda broadcasts from enemy stations.

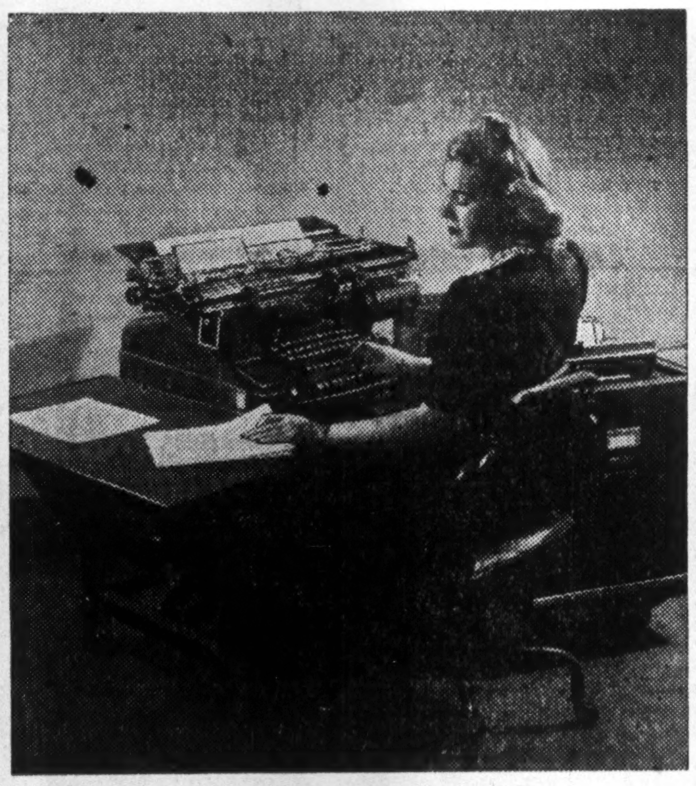
Other Developments

The new electric recorder, of course, is only one of many business machine developments in recent years.

One typewriter manufacturer is producing an all-electric accounting machine with a flat platen by which the paper, carbon, etc., is fed into the machine from underneath instead of from the top.

And a further application is the

(Continued on page 17)



Bookkeeping and accounting machines are taking a lot of the drudgery and error out of modern office routine, have greatly expanded in use in recent years. The modern "book" is a portable case, its "keeper" a leisurely lass who gets more done in an hour than can be accomplished in a day by older methods.

More and bigger jobs are promised for the typewriter and business machine industry after the war. Even though war production may see cutbacks, there will be continued Government attention to business, need for exhaustive analyses of all phases of business itself, plus much new social legislation which will mean more work for office staffs. These are pointers to consistent demand for mechanical business devices. No radical models are likely to be launched say men in the know; rather improvements will be added to the already efficient models.

Have light *indoors* as in an *outdoor* stadium

The easy seeing afforded by an installation of Ainsworth Spacialite Luminaires is like that of an open stadium when the sun has dropped behind the stand, and light floods down from a clear sunlit sky. Ainsworth Spacialite is fluorescent lighting for offices and commercial applications—cool, glare-free light that is easy on the eyes.

Ainsworth Spacialite is a semi-indirect fluorescent luminaire. It makes the whole ceiling an extended light source, like a clear sky, against which the luminaire is almost invisible. Discomforting contrasts are avoided. Shadows are reduced and softened. Workers do more with less fatigue, and have better morale when they work under Ainsworth Spacialite.

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Made, at present, FOR 60-CYCLE SUPPLY ONLY, Ainsworth Spacialite is easy to install in continuous lines. Each four-foot unit provides for two 40-watt fluorescent lamps. Standard hangers are suitable for suspension from outlet boxes, concrete or hung ceilings. Current can be fed through any hanger.

BUY FROM YOUR ELECTRICAL JOBBER. He offers you Amalgamated Electric products because it helps to assure him of satisfied customers.

This Canadian office is illuminated by parallel rows of Ainsworth Spacialite Luminaires, manufactured in Canada by Amalgamated Electric Corporation Limited

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They'll keep 'em rolling

The men behind the grease guns are doing an essential job on the home front—keeping old cars rolling, helping get war workers to their vital tasks—speeding all essential business along the road to victory.

It takes a lot of ingenuity and elbow grease to run a service station, these days. Besides working "out front"—making change, inspecting coupons, checking tires, pumping gas, fixing this and patching that—these busy operators have to watch the *inside, the "business end"* of their stations. Fortunately, those who use National Cash Registers have more time for customers' needs.

Nationals protect their money, furnish daily records of all transactions—enable them to quickly see their profits, losses—by departments. And at the same time, Nationals automatically provide the information needed under rationing—for taxes and other government reports.

Customers, too, appreciate National's *accurate, printed receipts*—which furnish correct, dependable records of their automobile expenses.

Serving Canada by Saving Time. This is one of the many mechanized systems built by National to speed record-keeping, protect money and save vital man-hours—for business, industry, government and the public. A limited number of new and used National Cash Registers are available for business purposes. National Accounting-Bookkeeping Machines can be obtained through priorities.

Wherever records are kept or money is handled—there is need for a National.

National
CASH REGISTERS • ACCOUNTING-BOOKKEEPING MACHINES

The National Cash Register Company
Head Office: Toronto OF CANADA LIMITED Sales offices in Principal Cities

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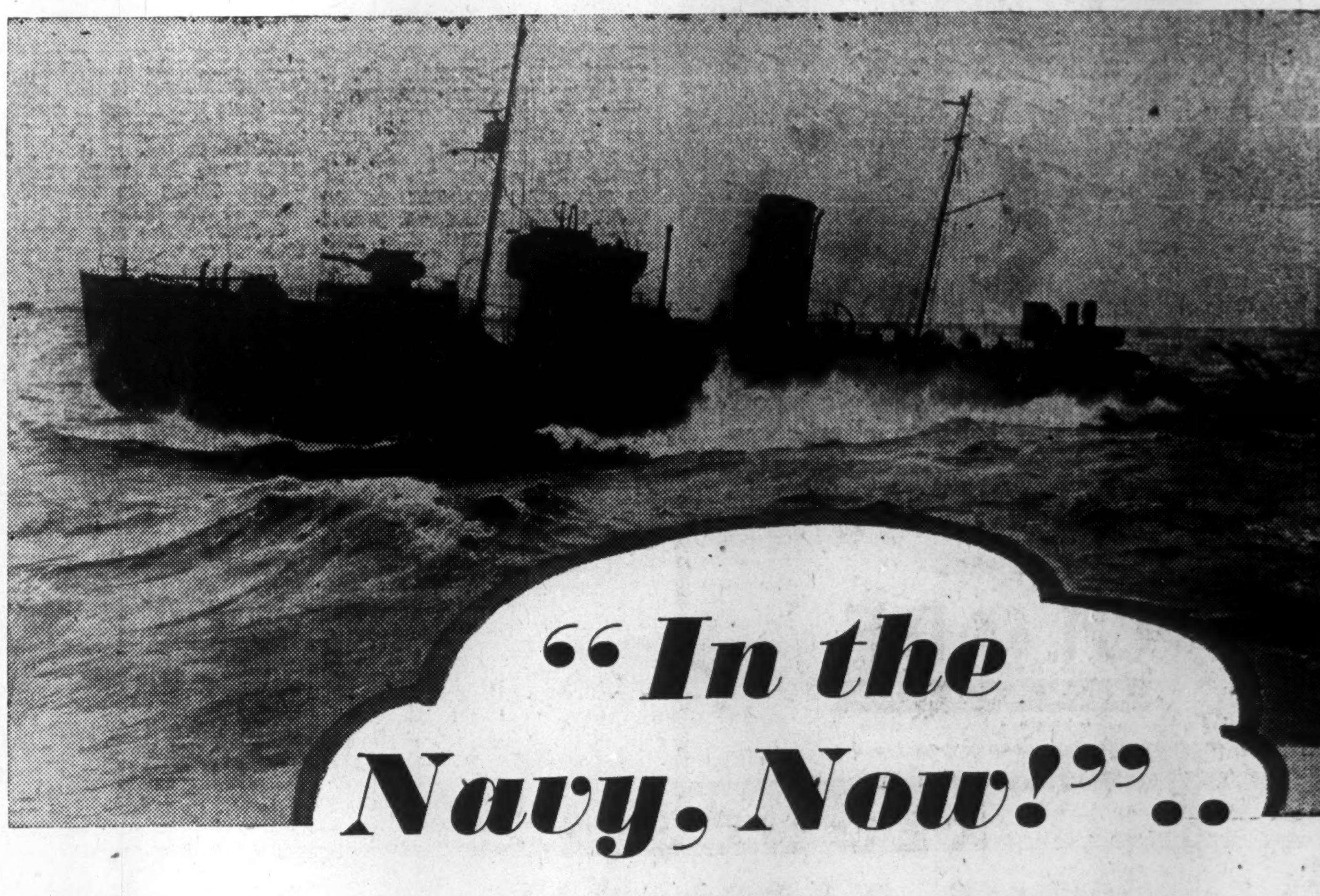
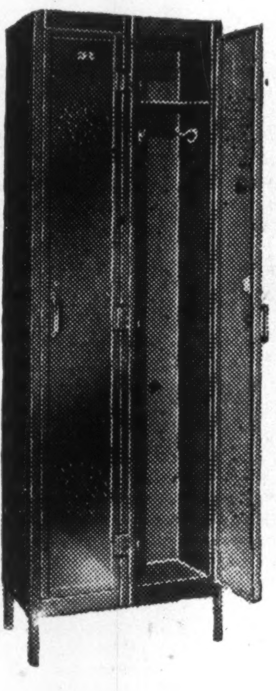


"In the Navy, Now!"..



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"Steel Equipment" stock lines cannot be made for general civilian use, because of the urgency of war service requirements and the need for steel conservation in wartime.

Strongarm Tempered Pressed Wood Products were developed and put into production as a most efficient substitute for our regular steel lines; and these are being produced to capacity.

However, our customers will appreciate the necessity of filling war orders first. Orders for new equipment cannot be filled for civilian use until work on hand has been completed.

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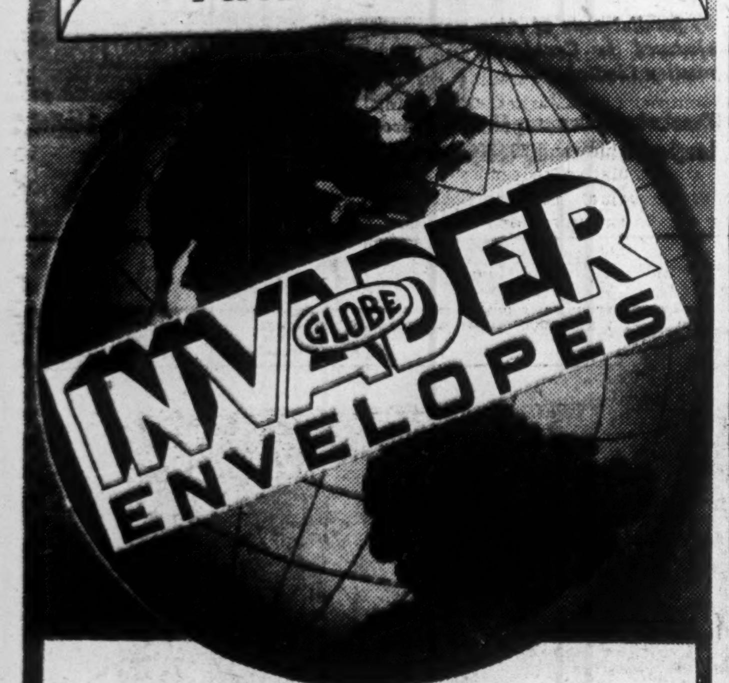
EFFECT OF "DEMEROL"

"Demerol," The Financial Post is informed, while it has not an opium base, definitely possesses addiction properties and is being administered in precisely the same manner as morphine, codeine and other narcotics under Part 1 of the Schedule of the Opium and Narcotic Drug Act. A statement in the Aug. 26 issue of The Post, to the effect that Demerol "is a non habit-forming narcotic," is not correct.

Specially Created

FOR WAR SERVICE AND SAVINGS



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1934 - 1944
"That Bulldog Pup Has Sure Grown Up."

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GLOBE ENVELOPES

Makers of *Well Gummed* Envelopes

MONTREAL WINNIPEG TORONTO OTTAWA VANCOUVER

Office Furniture

To Resume Trend to Metal

New "Growing" Desk Has Detachable Top and Shelves

Photo—Public Information.

Files and lists, bugbear of offices because of bulk, shrink away down to peanut proportions when taken in hand by modern systems of condensed recording, such as visible index cases and micro-photography. But for many purposes the common cabinets will long remain and, in this day of statistical controls and national registration for war and social services, may even be more in evidence as time goes on.

Production in Canada of filing equipment and of office desks and chairs more than doubled in the first two years of the war—due chiefly of course to the tremendous volume of war purchasing by Government. Latest figures are not available but some indication of the extent and value of that production appears in an accompanying table which shows among other things that in 1939, according to DBS, total value of production of office steel furniture was $1,587,609 and of office and store furniture and fixtures $2,031,235, increasing in 1941 to $3,183,909 and $4,500,813 respectively.

Rate of production, however, has dropped during the past year and a half, notably during the past 12 months, The Financial Post is informed.

24 Manufacturers

Some 24 manufacturers are engaged in producing office furniture in Canada. They have in the past not only met all domestic needs but also exported some of their output to South America and various parts of the British Empire. Importation of office furniture or filing equipment into Canada has been almost negligible.

Majority of the makers are located in southwestern Ontario, with five in Quebec, two in Nova Scotia and one in British Columbia. Some 17 are engaged in making standing and flat top desks, roll top and typewriter desks, and only four, all in Ontario, are producing steel desks.

According to industry officials the growth of the filing equipment and office desk and chair business has been fairly steady since the last great war. The following table indicates the trend from 1931-39, and in 1941:

	Fil. Sys. Supplies	Of. Steel Furniture	Furn. & Fixtures
1931	259,861	1,753,179	3,091,328
1932	599,230	1,062,516	1,455,646
1933	436,479	621,361	883,087
1934	493,754	424,576	1,090,333
1935	680,968	1,337,945	776,800
1936	530,672	1,724,241	178,405
1937	708,581	2,382,270	149,724
1938	703,668	1,843,701	239,314
1939	643,113	1,587,609	2,031,235
1941	1,223,236	3,183,909	4,500,813

All mahogany, oak and walnut woods for office furniture manufacture have been imported into Canada, mostly from the United States, from which a large percentage of cold rolled sheet steel used in making metal filing equipment has also been imported.

During the war manufacture of steel filing equipment, by far the largest class of filing equipment made in Canada, was discontinued on Sept. 1, 1942, by Government order, having been partially restricted from the preceding Jan. 1. Any filing equipment manufacture during this restricted period, The Post is informed, has been made from wood or pressed pulp materials. One company has replaced its steel office equipment for the duration with a tempered pressed wood made of wood fibre compressed to from one eighth to one quarter inch thickness. This will produce a board which can be worked like sheet steel.

Bulk of factories producing steel equipment have been entirely on war work. As no elaborate changes in setup occurred when they went into war production, it is expected the factories can be reconverted without delay.

War Surplus Problem

Question of Government disposal of the surplus equipment and office furniture that it will have when the war ends is said by men in the industry to stymie any moves or plans they may wish to make regarding postwar manufacture and sales. In the meantime, The Post is informed, they are awaiting a definite sign from the Government concerning the disposal of this material.

In the belief that Canada will follow U. S. consumers of business equipment in the trend to metal furniture, which had grown to considerable proportions before the war, the industry not only foresees a return to the use of metal in desks and chairs, but also the possibility that Canadian steel mills may be in a position to produce the cold rolled sheet steel for metal filing equipment which hitherto has been imported from the U. S.

Though extended use of metal for office equipment is foreseen, the industry inclines to the opinion that there will always be a market for the higher grade wood office furniture, as well as for the low grade wood. The new plywoods developed during the war will no doubt be used widely, it is said.

A factor which may operate in favor of more steel usage is that of comparative costs of steel and wood. The Post is informed that it is more economical to manufacture filing equipment of steel than of wood, while the costs of steel desks and chairs compare favorably with the better grade wood products.

Big Changes Coming

Some radical developments in design are forecast for after the war. Since Canada tends to follow the lead of the U. S. in the matter of office styling, some idea of the new applications across the line may be timely.

The "convertible" desk is a departure in office styling, stemming directly from the war and from the need for management to make best use of limited space—especially with new building tightened up through lack of labor and materials. As some workers may need less desk space than others, a smaller top can be placed on the desk pedestal. That is, the body and pedestal remain the same, various sized tops being substituted at will, simply by unscrewing one and putting on another. This eliminates much confusion caused by moving office furniture.

By eliminating the shallow centre drawer "catch-all," the convertible desk has been lowered to a comfortable 28½ inches from the former 30-31 inches which is today regarded as too high for comfortable, continuous work. As long as the centre drawer remained, the desk could not be lowered and still allow for easy knee space. Report has it this move in design has been welcomed in many offices where it has been tried out, and is expected to become standard desk height.

Detachable Shelves

Typewriters are used on detachable shelves which fit into the desk pedestal, instead of two drawers which formerly occupied this space. They may be changed from left to right. Space in the room may be saved by having all the girls on one side of the office use typewriter shelves hinged on the left, and the others those on the right. In this way window light is correctly adjusted for twice the number of people without increasing desk space to accommodate them.

Desks may now be given light-colored seeing surfaces to minimize the contrast between the working area and work.

Day of the golden oak roll-top desk is said to be gone forever, giving way to the commodious flat-top variety with plastic exterior trim.

Plastic hardware is making its appearance on steel office equipment. Plastic now comprises drawer pulls, handles, thumb latches, knobs and label holders, is injection molded of cellulose acetate butyrate, a hard, chip-proof substance which doesn't tarnish.

One office designer has even rounded the corners and edges of his label holders for files and insert drawers.

We Manufacture

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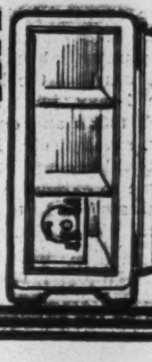

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It's elementary knowledge too in Canadian business from coast to coast that "Office Specialty" are the leading makers and distributors in Canada of filing systems and fine office equipment.

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THE OFFICE SPECIALTY MFG. CO. LIMITED

Head Office and Factories — Newmarket, Ont.

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PEACE will be tougher than WAR

For many business men, Victory will bring a host of new and difficult problems. The job of getting business back on a peace footing will cause many a headache.

Much of the ground work for your post war business can be done now. Much of it must be done at odd times when a moment can be spared from vital war work.

This is where Dictaphone proves its worth. It is ever ready at your elbow to do your command—a silent, willing and efficient servant that smoothes the friction of a busy day.

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Made in Canada, and Used in Canadian Business since

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THE H. KRUG FURNITURE CO., LIMITED
KITCHENER, ONTARIO

These Controls Have Been Lifted

Former Prohibitions

Metals—A-613, prohibited manufacturers from using metal other than gold or silver without permission of Administrator of Fabricated Steel & Non-Ferrous Metal for certain goods, as follows:

Tricycles
Joycycles
Ice skates
Roller skates
Smoking stands
Ash trays
Vases
Illuminated and other signs.
Coffins
Lawn rollers
Shafts and rods of all kinds for use in making golf clubs, ski poles, fishing rods and other sports equipment
Articles and utensils of all kinds for use in cleaning kitchen utensils, pots, pans and other articles.
Ornaments and decorations of all kinds including Christmas decorations and hangings.
Toys
Children's sleighs
Children's wagons and carts.

Order A-579

Use of Metals—A-579 prohibited use of metal other than gold or silver for the goods in Schedule A, the use of copper for goods in Schedule B.

SCHEDULE "A"
To Administrator's Order No. A-579

Access panels except as required by underwriters' code, accessories (soda fountain), acoustical ceilings and backings, adhesive tape sleeves, advertising novelties, all plating for decorative purposes, amusement park devices and roller coasters, anchors for pleasure craft, animal stalls, area walls, artcraft ash sieves, asparagus tongs, atomizers (perfume—boudoir), attic fans for domestic use, autographic registers.

Ball park equipment, banks (miniature), barber and beauty shop supplies (except scissors—razors and clippers, barn pushers and scrapers, bar ware and bar accessories, bases on filing cabinets, baskets (except for commercial and manufacturing uses), bath cabinets (steam—all types), bathroom accessories, B-B shot for air rifles, beach umbrellas, beer kegs, beer mugs, beer stands, beer steins, bench legs (except industrial), beverage bottle cases, beverage service sets, bicycle parking racks, binding (linoleum), binoculars (except for govt. agencies), biscuit boxes, bird houses (cages and feeders), blackboards, blade stroppers (mechanical), bleachers and grandstands, blinds, blocks (hat), book ends, boot scrapers, bottle coolers, bowling alleys, bowls (decorative), boxes and trays for (jewellery, etc.), boxes and bait for sportsmen's fishing tackle, branding devices, bread and cage boxes (household), bread racks and toast racks, bread slicers, bridge splash guards, brush backs and metal bristles, buckles (for clothing or or shoes), building ornaments, building (portable), burial lowering devices, butter knives, button hooks, buttons.

Cages (beds and dishes for pets), cake cutters, cake icing equipment, cake tongs, calendar pad bases, calendar memo pad stands, calendar tin or strips, calliopes, candy display dishes, canes, canopies for electric brooders, canopies (hoods and supports), cans or containers for: artist supplies, bolts, bouillon cubes, candy, caviar, chalk-crayons, coffee, cotter pins, edible nuts, face powder, gloves, incense, lawn seed, nails, nuts, pencils, pet foods, phonograph needles, playing cards, razor blades, screws, sponges, staples, talcum powder, tennis balls, toilet water, tooth powder, typewriter ribbon spools, yarn).

Candlesticks, carrousels, carpet rods, cases (vanity), cash registers, casket carriers, casket hardware, casket trucks, cash boxes, carving set holders, cattle stanchions, chamber pots, chick feeders, chicken crates, chicken house scrapers, christmas tree stands, ceilings, cigar and cigarette holders and cases, cigar clippers, cigarette lighters, cigarette package holders, cigarette making machines (hand), clamps (hair), cleaning and polishing accessories, clips for attaching tags except industrial, clippers (fingernails), clothes line pulleys, clothes racks and dryers, clothes reels, clothes stretchers, clothes pins (spring type), clothes trees, coal chute and door (household), coasters and trivets, coat hangers, cocktail glasses, cocktail sets, cocktail shakers, coin changers — except for public transportation, combs (hair), compacts, container caps, copyholders, corn cribs, corn poppers, covers for auto. springs, crochet hooks, croquet sets, crumb trays, crutches, culverts, cups (drinking of all kinds), curb guards, curling irons (hair) and tongs, curtain fasteners and rings, curtain stretchers, curtain rods, cupboard turns.

Darners (sock), decorative iron products, deep fat fryers and racks, desk equipment, dictaphone cylinder racks, dinner bells, dispensers, dishwashing machines, dishwashing racks, dishdrying racks, document stands, domestic garbage grinders, door chimes, door closers, door handles, door knockers, door pulls, door stops, door and door frames, doughnut cooker machines, drawer pulls, drain boards (individual), drapery fasteners and rings, dress forms, dress ornaments, dust collecting systems and equipment.

Easels (all types), egg slicers, electric blankets, embalming tables, enamel building fronts, enamelled tile sheets, escalators, exercising and reducing machines, exhibition and fair apparatus.

Feed troughs, finger bowls, fish aquaria, fish scalers, fireplace equipment, flagholders, flag poles, flashlight cases, floor and ceiling plates for piping, flour shakers and sifters, flower pots or boxes, floats for pageants, floor and counter covering, floor scrapers, floor polishers, foot baths, fountain pens, fountains, frames (clothes drying), frames for artists' canvas, frames for awnings, frames (handbag), fruit juice extractors, furniture hardware.

Games, gambling devices, garage and automotive repair equipment, garden watering cans, gas toasters (household), gates (railroad), glassware holders, golf bag supports, grain storage bins, grass whips, grave markers, gravel stops and snow guards, grilles, guards for guy wires, gutters (leaders, downspouts).

Hair brushes and combs, hair dryers, hair curlers, handbag fittings, hand seals, hand weeders, handles (broom and mop and whisks), hand mirrors, hangers (rings on brushes or brooms), hangers (for garage doors), hat frames, heat resisting pads, highway guard rail, highway guard rail reflectors, hitching posts, hoops (for flower garden), hose reels, house numerals, household scales, humidors.

Ice cream freezers (household), incinerators, ink stands, ink-well holders, insignia, ironing boards and stands.

Jam boxes, jelly molds, jewellery cases, jugs (picnic—all types), juice extractors (household).

Key cases (chains and rings).

Ladders (step), lanterns (magic), lard and vegetable oil tubs (under 5 lb.), laundry chutes, lawn brooms, lawn edgers, lawn rakes, lawn sprinklers, lawn tampers, lawn seeders, letter chutes, letter openers, lighting poles and standards, lipstick holders.

Mail boxes, mailing tubes, manicure implements, marine hardware for pleasure, marquees, match boxes, memorial tablets, menu holders, metal cloths for clothing, metal mats and rugs, metal trays (except industrial), milk bottle cases, millinery wire and gimps, mirrors, monograms and initials, mop wringers, mud scrapers, music stands, musical instrument cases.

Napkin rings, necktie racks, newspaper boxes and holders, novelties of all kinds.

Ornamental hardware and moldings, outdoor fireplace parts.

Packages and packings for candies and sweet goods, packing twine holders, pads (inking and stamping), pail clasps, paint spray outfits (except industrial), paper clips, paper towel dispensers, paper drinking cup dispensers, paper rollers (household), parasols (shafts and handles), parcel handles and holders, park and recreational benches, partition studs, pegs (tent), penholders, pencilholders, pencils (mechanical), pencil sharpeners, perfume atomizers, permanent wave machines, pet equipment (including but not limited to: beds, cages, chains, collars, dishes, feeders, houses, leashes, muzzles, carriers), phonograph record blanks, picnic and outing boxes and accessories, picture frames, pipe cases pipe-cleaner knives and reamers, pipe posts, pitchers (except for hospital use), plant and flower supports and stakes, play pens (children's), playground equipment, pleasure boat equipment and accessories, pleasure boats, pneumatic tube delivery systems, pocketbook ornaments, polishing-wax applicators, polishing-wax sprayers, portable bathtubs, poultry incubator cabinets, powder (rouge and vanity cases), push carts other than for industrial use, push plates and kick plates for doors.

Race track apparatus, racquets, racks (display), radio antennae poles except for govt. agencies, radiator enclosures (except automotive), railway rail joints over 24" in length, razors operated by electricity, reading stands, receptacles for refuse and waste, regalia, registers (hand talley), rolling boardwalk chairs, rolling pins, rotary door bells.

Safety zone posts, salesmen's display cases and sales kits, salt and pepper shakers, salt and pepper holders, sample boxes, scaffolding (except for shipyard work), scenery and stage hardware, score boards, screen frames, scrubbing boards, shades (window and roller type), shirt and stocking dryers, shoe ornaments, shutters (window), shoe cleaning kits, shoe horns and shoe trees, shower receptors (except frames), show window display equipment, sidewalk scrapers, sign hanger frames, sign posts, signets, sink aprons and legs, sink drainboards, siphon chargers, silos (except strapping and re-enforcing), sitz baths, skewers (all types), ski racks, skating rink equipment, slides (loop and slide-loops for work clothing), sleds (except runners), sleighs (except runners), smokers' accessories, soap dishes, sod lifters, soft drink dispensing tanks or coolers, souvenirs, spittoons, spools for cord or ribbon, sporting and athletic equipment, sprinkling cans (garden), stadiums, stamped bakery equipment, stands (11 types), staple removers, starter shingle strips, statues, steel silos, steel water tanks, steel wagon wheels, stencils, stretchers (carpet), stretchers (glove, socks and sweater), structural steel (home construction), sugar holders, sundials, sun lamps and infra-red lamps, swimming pool equipment.

Table name card holders, teapots, telescopes, tent poles and parts, terazzo strips, termite shields, thermometer bases, thermometer cases, thermos jugs and bottles, tickers (stock), tile, toilet paper dispensers, tongs, tool boxes, tooth brush holders, traffic lane markers, transplanting trowels, trailer bodies, trays for household use, treads (stair and household), trophies, truck bodies, turf edgers, turnstiles.

Umbrellas (garden), umbrella (shafts and handles).

Vacuum jugs and bottles, vases (decorative), vending machines (all types), ventilators (shutter type), vibrators (electric).

Wagon bodies, water coolers, water softeners, water stills, watch straps, water troughs, water color paint boxes, weather vanes, weed cutters and pullers, weighing machines, window shade rollers, window ventilators, wine coolers, wine service sets, wire parcel handles and holders, wire racks and baskets.

SCHEDULE "B"
To Administrator's Order No. A-579

Alarm and protective systems.
Barrel hoops, bathroom accessories.
Cash registers, clothes hooks (cast type), conduits, cooking and table utensils, cooking utensils, cutlery and table flatware.
Electric light bulbs for Christmas trees, elevators.
Fans, fire hooks, fire hydrants and sprinklers, fire ladders and hoists, flashing valleys, flashlights and electric lanterns, food dispensing utensils, fountain pens, furniture grommets.
Hollow-ware.
Incinerators, incinerator hardware, insect screens.
Lace tips, lamp shades, lanterns and lamps, lighting fixtures, lightning rods, livestock and poultry equipment, locks, livestock and poultry equipment, locks.
Match and pattern plates, motion picture projection equipment, musical instruments.
Pins, pole line hardware, portable heaters, powder, printing rollers.
Reflectors, roof (roofing, roof nails).
Sheet (roll and strip for building), shells and caps for electric sockets, staples for fastening.
Umbrella struts.
Ventilators and skylights.
Washing tubs and boilers, water containers and humidifiers, weather stripping and insulation.

Electrical Appliances — A-610 prohibited manufacture of any electrical appliance intended for domestic use without written permission of the Administrator. Included in the schedule were:

Air heaters.
Bottle warmers, broilers.
Curling irons, curling iron heaters.
Doughnut cooker machines, drink mixers.
Egg cookers, electric clocks.
Food mixers.
Grates, grills.
Hair curlers, hair dryers, heating blankets, heating pads, hot plates.
Irons.
Juice extractors.
Meat grinders, metal humidifiers.
Percolators.
Portable heaters.
Radiant heaters, roasters.
Sandwich toasters, shavers, slicers or shredders, stoves for coffee makers.
Tea kettles, toasters.
Vibrators.
Waffle irons, water heaters.

Humidifiers: A-486 prohibited the manufacture of industrial humidifiers.

Farm Machinery Exhibitions: A-185 prohibited the exhibition or demonstration of any farm machinery or equipment or any attachments or repair parts at any fair in Canada.

Hollow-ware: A-267 prohibited the manufacture of silverplated hollow-ware.

Sporting Goods: A-347 prohibited the use of hollow steel shafts or shafts of other metal for golf clubs, ski poles, fishing rods and badminton racquets.

Elevators: A-767 prohibited manufacture of an elevator or a part, equipment or accessory for an elevator, and orders for the same, and also restricted use of non-ferrous metal, stainless steel or alloy steel.

Jewellery: A-981 prohibited manufacturers from making more than 35% of the designs filed by them; froze designs; banned use of textile material in packaging jewellery, most of it the costume type of jewellery.

Eavestrough: A1256 prohibited sale or use of metal eavestrough or conductor pipe except for maintenance and repair and limited metal content to galvanized steel 10¾ oz. per square ft.

Metal Furniture, etc.: A-1142 prohibited the use of sheet metal for the manufacture of the following, except for small hardware:

Beds, cribs, bedroom furniture, benches, card tables, chairs, coat racks, flower stands, footstools, kitchen cabinets, tables, garden furniture.

Herewith, The Financial Post presents the list of 56 prohibitive and restrictive orders recently withdrawn by the Wartime Prices and Trade Board. While there is now no ban on production of the items and types described, WPTB officials emphasize that metal *priorities* will not be granted for making these items for civilian use, and also point out that many other restrictions still remain in force.

Former Limitations

Pipe Fittings: A-541 limited manufacture of any brass or bronze screwed pipe fittings unless such pipe fittings were of a type and size provided for in the order.

Incandescent Lighting Fixtures: A-840 prohibited the manufacture of a variety of metal incandescent lighting fixtures, particularly those involving metal decorations and special types of reflectors, etc.

Metal Wheelbarrows: A-986 eliminated the use of metal in wheelbarrows except for struts, reinforcements, etc., and for use in operations of dairies, coal yards, mines, forging and casting manufacture, othe rsimilar industries.

Flexible Cords: A-510 limited the manufacture of types of insulated and protected flexible electrical cables, cords and fixture wires made from several small flexible conductors (with several exceptions) to types and sizes having insulation of types, thicknesses, braids and colors set forth for each type, except for orders of M&S or National Defence.

Portable Chain Hoists and Trolleys: A-506 limited the manufacture of hand operated portable chain hoists and trolleys to types and sizes provided, except for M&S.

Jewellery Trade Practices: A-447 authorized the discontinuance of free insurance on jewellery without corresponding drop in price; prohibited auctions of new jewellery except under permit; prohibited the shipment of jewellery on consignment; limited approbation parcels, prohibited return of special orders to the manufacturer or wholesaler.

Storage Batteries: A-406 limited production of storage batteries to sizes and capacities set forth except for defence of Canada; prohibited manufacture of dummy or cutaway storage bateries; limited radio storage batteries to one type, storage batteries to one grade; prohibited the use of lacquer for decorative finish, prohibited new brand names, required dating of each battery.

Pipe Fittings: A-390 limited manufacture of grey cast iron and malleable iron pipe fittings to types sizes and specifications set out in the order, except under permit.

Sheet Metal Screws: A-352 limited manufacture of self-tapping sheet metal screws to listed stock production sizes except for large orders or on payment of $5 service charge.

Nuts: A-351 limited manufacture of stove bolt nuts and machine screw nuts to stock production sizes listed, except for orders for 15,000 or more identical pieces or on payment of $5 service charge.

Steel Rivets: A-350 limited the manufacture of steel rivets ½ inch in diameter and larger to listed stock production sizes except on payment of $5 service charge. Rivets supplied to the ship-building industry not affected.

Machine Screws: A-349 limited the manufacture of machine screws to listed stock production sizes except for orders over 15,000 or on payment of $5 service charge.

Stove Bolts: A-348 limited manufacture of stove bolts to listed stock production sizes, except for orders over 15,000, or on payment of a service charge of $5.

Baby carriages: A-287 limited manufacturers to four styles of folding baby carriages and one style of perambulator, as listed.

Axes: A-278 limited the manufacture of axes and adzes to the weights, sizes, patterns and finishes provided in the order, and provided that chopping axes be packed one dozen to the wooden box in straight weights only.

Shovels and Spades: A-277 limited the manufacture of shovels, spades, scoops and scrapers to sizes patterns and finishes set forth.

Steel Tanks: A-215 provided that steel tanks 1,000 barrels capacity and under should be made not of welded steel but of thin gauge bolted steel with the necessary gaskets.

Range Boilers: A-169 limited the use of steel sheet zinkor other materials in the manufacture of range boilers to such quantities as are required to make types and sizes listed; those to be of certain limited thicknesses.

Plumbing Fixtures: A-153 limited the manufacture of vitreous china sanitary plumbing fixtures to white, and to listed sizes styles and classifications of lavatories, laboratory sinks, drinking fountains, tanks, closet bowls and combinations, urinals.

Steel Drums: A-126 restricted the manufacture of steel drum (containers), to four sizes, and prohibited two-color paint jobs.

Cast Iron Soilpipe: A-125 limited manufacture of cast iron soilpipe and fittings to standard types and sizes provided.

Plumbing Fixtures: A-90 prohibited manufacture of colored enamel ware and acid-resisting enamelled ware, and limited to specified types and sizes manufacture of baths, lavatories, closets, sinks and trays, laundry trays, service sinks, wash sinks.

Bolts, Screws: A-87 limited stock production sizes of carriage, machine, tire countersunk head, elevator and step bolts and lag screws to those listed in the order.

Plumbing, Heating Equipment: A-71 limited the use of cast iron in the manufacture of boilers, boiler jackets, radiators, tank heaters or bungalow heaters, to certain types and sizes described.

Valves, Steel: A-724 limited manufacture of a valve or part of a valve, except in accordance with specifications.

Valves, Iron, Brass, or Bronze: A-715 limited manufacture of a valve or any part of a valve, except in accord with certain specifications.

Coal Stokers: A-562 limited manufacture of screw feed coal stokers of the underfeed type to the sizes specified and in accord with other specifications, and set the prices for such stokers at a definite level.

Identification Tags: A-692, limited persons manufacturing identification tags for persons, livestock or poultry, to uncoated steel in the form of tin mill, or tin plate or terne plate.

Registers and Grilles: A-706, prohibited use of metal in manufacture of registers or grilles unless metal was of a type and register and grille of a size set forth in the order, also restricted manufacture of pipeless furnace baseboard registers to three sizes, and use of a finish.

Writing Inks: A-756, limited manufacture of writing inks in any colors other than red, green, black, blue-black, black and washable blue, and restricted containers to certain sized bottles.

Cast Iron Ware: A-668, prohibited manufacture, processing, fabricating and assembling of any cast iron ware article not specifically set out in the order schedule It also restricted manufacturers to certain definite number of sizes.

Farm Hand Tools: A-795 limited the styles in which hand forks, hooks, rakes, hoes and cultivators could be manufactured.

Hammers: A-796 limited the styles in which nail hammers, machinists' hammers and other handled hammers could be manufactured.

Rivets and Burrs: A-969 restricted the sizes in which rivets and burrs of 7/16" diameter or less could be manufactured.

Switch and Outlet Boxes: A-1026 restricted the styles in which sectional switches and outlet boxes could be manufactured.

Hair and Bobby Pins: A-1033 restricted lengths of invisible hair pins and bobby pins.

Barbed Wire: A-1034 restricted style of barbed wire.

Bath Tubs: A-1045 restricted styles and quantities of cast iron enamel bath tubs manufactured.

Wire Cloth: A-1049 restricted widths and kinds of wire used in screen cloth.

Bedding Equipment: A-1302 restricted the manufacture of bedding equipment to certain styles and types.

Pumps: A-962 limited the manufacture of pumps, fittings, accessories or replacement parts to the types, sizes, capacities and materials specified.

Typewriter Ribbons and Carbon Paper: A-735 limited manufacture and packaging of typewriter ribbon and carbon paper to sizes, colors, kinds and types specified.

Plumbing: A-1071 restricted the use of copper and brass in plumbing equipment and supplies according to specifications as to size, type and grade laid down in the order.

Plumbing; Hospitals: A-1171 limited sale or delivery of listed copper and brass plumbing equipment to hospitals as defined.

Hardware: A-1064 limited types, materials, finishes, kinds, designs grades and weights of builders' finishing hardware, cabinet locks and padlocks to those listed in the order.

Office Machines Face Big Market

(Continued from page 15)

all-electric machine for lettering marine blueprints, some as large as 8 by 12 feet. The lettering is done uniformly and five times as fast as the old way.

Touch system adding machines can turn out 5-6,000 items an hour by a fast operator who no longer needs to look at the machine while working.

Portable typewriters now include a folding stand which can be telescoped into the usual typewriter case. In this way use of the portable is extended and it is made more comfortable to operate.

Continuous copiers are another advance. They are designed to reproduce quickly ink-like photo copies of anything printed, photographed or drawn, and will make continuous reproductions up to 42 inches wide by any length. Its printing speed can be controlled, offering a variety of speeds from one foot to 18 feet per minute. A real aid to engineering departments, it is said, it reduces to a matter of minutes the hours and days required by manual tracing and re-drawing.

From the foregoing it is clear that there is little danger of decline of sales opportunities for the industry after the war.

Can. Breweries Issues Bonds

Canadian Breweries Ltd. is issuing an additional $800,000 of its 4½% serial debentures of which $400,000 are to mature on July 1, 1961, and $400,000 on July 1, 1962. Public offering is being made by Burns Bros. & Denton, Ltd. and W. C. Pitfield & Co. at a price of 101 and accrued interest to yield over 4.40%.

Proceeds of the issue will be used to reimburse the company for part of the expenditures made in the acquisition of shares of other brewing companies and made for property additions and will also be used for other corporate purposes, according to the prospectus.

After giving effect to the issuance of this $800,000 of debentures, the outstanding capitalization of the company will consist of $4,800,000 of debentures, 203,910 shares of $3.40 cumulative sinking fund convertible no par value preferred stock and 750,000 shares of no par value common stock.

Outstanding debentures mature $200,000 on July 1 in each of the years 1945 to 1952 inclusive, $300,000 on July 1 in each of the years 1953 to 1960 inclusive and $400,000 on July 1 in each of the years 1961 and 1962. Interest is paid at various rates from 3¼% to 4½% according to date of maturity. $200,000 of debentures matured and were retired on July 1, 1944.

Working capital of the company as at June 30, 1944, after giving effect to the above financing is stated to be $4,604,907.

American Celanese Corp.

Celanese Corp. of America reports net profit of $3,737,125 in the first six months of 1944, after provision for federal income taxes, equivalent to $1.59 per share on the outstanding common stock. This compares with $3,085,826, or $1.37 per common share in the similar period of 1943.

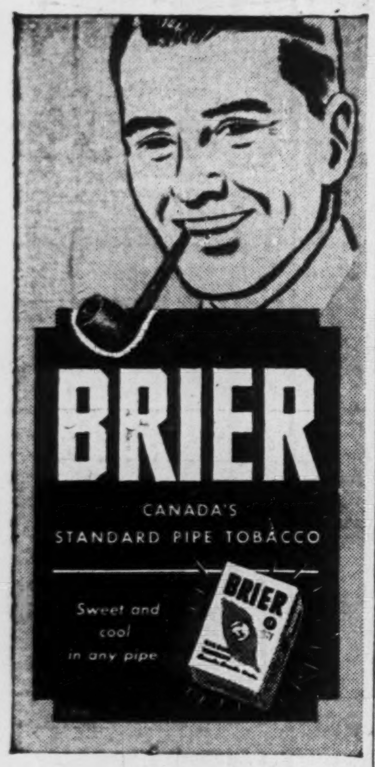
Net profit for the June quarter amounted to $1,887,024, or 78c. per share, against $1,099,978 or 36c. in the corresponding quarter of 1943.

Cinzano Ltd., ordinary class "A" shares and preferred shares have been admitted to trading on the Montreal Curb Market. The listing covers 1,640,000 of the "A" shares (no par value) and 500,000 shares of 5½c cumulative redeemable shares (£1 par value). Cinzano Ltd., holds shares in subsidiary and other companies engaged in the manufacture of wines, liquors and kindred products throughout the world.

A Montreal Curb Market seat has been sold for $6,000, new wartime high.

Kinojevis River Mines plans testing the McDairmid-Lusko group of claims in Clericy twp., Que., by diamond drilling. Company is prospecting a section on the west bank of the McDairmid Lake and the northeast bank of the lake. The group extends for 12,000 ft. along the south branch of the Porcupine-Destor, the Destor-La Pause fault. President is V. R. MacMillan.

Spina Porcupine, owning property in Bristol twp., plans diamond drilling its holdings and already has let a contract, to be supervised by E. K. Fockler, consulting geologist.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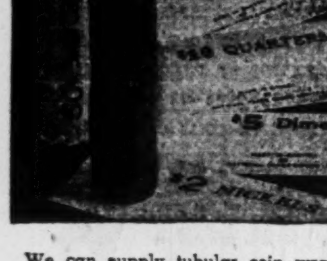

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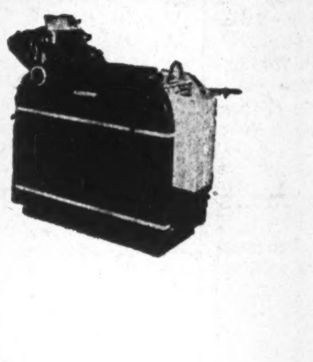

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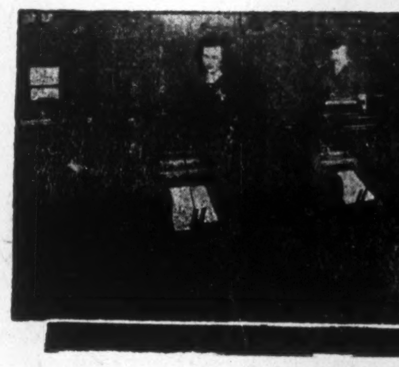

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SIMPLIFIED BUSINESS METHODS

The Wartime Social Problem

Upheaval of Living Patterns Puts Heavy Load on Agencies

By KENNETH R. WILSON

The backdrop for Community Chest campaigns now aiming to raise $5.4 millions in 21 communities within the next week or two, is the war-changed pattern of social and community life.

War conditions have not only changed the shape of things in Europe and wherever United Nation's forces are in action. They have changed, as well, the social pattern of life on the home front. And the reflexes are still to come. For example:

The number of women employed in manufacturing industry in Canada has jumped from 140,000 to 335,000 since war began. Tens of thousands of these are married women.

Divorces have jumped from around the 2,000 mark in 1939 to over 3,000 in 1943.

Live births have risen from 230,000 to 275,000 a year.

Illegitimate births are up from 9,000 to 11,000.

Cases handled by the Victorian Order of Nurses have gained from 85,000 pre-war to 93,000 in 1943. Of the latter total 13,600 were for families of enlisted men.

New Problems Rise

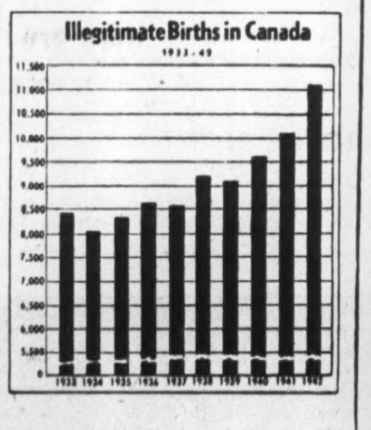
These are some of the raw statistics which lie behind the new and important job which organized social agencies in Canada and other countries have been called on to do under war conditions. It is a job which will increase substantially within the next 12 months as the problem of readjustment to peacetime conditions begins to make itself felt in the community.

The story of this wartime need can be told very simply. It is something like this:

"Wartime enlistments and wartime employment, particularly of so many thousands of mothers, have created new sets of problems which social agencies have been called upon to help solve.

"Even with the need for material relief eased, war conditions have increased juvenile delinquency, unmarried parenthood, etc., and by the separation of men from their families has weakened the structure of family life—a structure which is the very heart of a nation.

"All the skill of experienced social workers has been called upon, especially in light of the acute shortage of workers.


Illegitimate Births in Canada
1933-42

"Troubles arise due to loneliness and friendlessness in strange cities, from bewilderment and the sorrow caused by bereavement. These troubles must be met and a lot of the sufferers aren't able to meet them alone.

"What social agencies do in such cases never makes the headlines."

Chest Works Well

The community chest campaigns which have gained in scope and importance since the outbreak of war are a streamlined way of raising funds in a joint community effort to underwrite the work of key social agencies.

In 1943, $6.5 millions was collected by chests and United Welfare funds throughout Canada for some 535 member social agencies. This was 104% of the objective. Of the total, about $5¼ millions was collected in fall campaigns and $1¼ in spring appeals in seven cities.

This record compares with about $2.5 millions collected through Community Chest effort 10 years ago. The movement has grown steadily in Canada, especially since the war.

Though the idea of community chests as a money-raising system originated in Liverpool 91 years ago and was formalized by that city's Charity Organization Society 20 years later, it seems to have failed to capture British imagination.

In Canada and more than 700 U. S. cities it has flourished for years. How it has grown in this country since 1932—from $2.5 millions to $6.5 millions in 11 years—is traced in the following table:

COMMUNITY CHEST RESULTS
1932-43

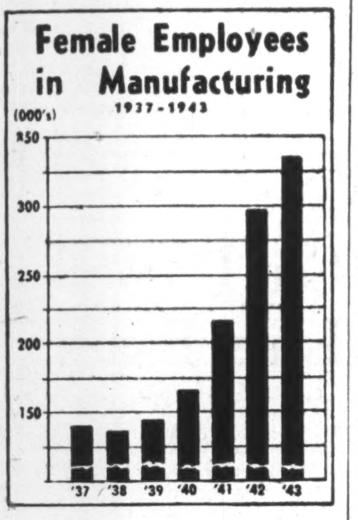
Year	Campaigns	Proceeds $ millions
1932	10	2.5
1933	12	3.0
1934	12	3.1
1935	14	3.3
1936	14	3.5
1937	15	2.6
1938	14	4.0
1939	17	4.9
1940	23	4.7
1941	25	5.4
1942	27	6.5

The aim of the chest is to do two things: to raise money and distribute it to social agencies in the most efficient and economical way; also to make a positive contribution to welfare of the community by providing as adequately as possible for the needs of member agencies. In admitting an agency, the Community Chest accepts and endorses its program.

Praise From Nurses

Here, for example is the expression of one nationally-known social worker on the value of "chest" affiliation to the organization she represents. Says Elizabeth Smellie, chief superintendent, Victorian Order of Nurses of Canada:

"The VON, with a clearly defined objective, welcomes affiliation with local Community Chest organizations because such affiliations imply greater appreciation of existing health and social problems; and for the provision of more efficient and economical service to the community concerned. Working with and through other members of allied organizations, voluntary workers and staff develop a better understanding of the interdependence of all agencies. This tends to eliminate competition and to establish an esprit de corps which is reflected in their daily work and in its interpretation and usefulness to the public.


Female Employees in Manufacturing
1937-1943

"A federation of agencies can be no more effective than its constituent representation permits. Most essential to its success are the quality of its leadership, the spirit which prevails within the organization, the confidence which it inspires in the public and the loyalty of those associated with it in adhering to fundamental principles."

Where The Money Goes

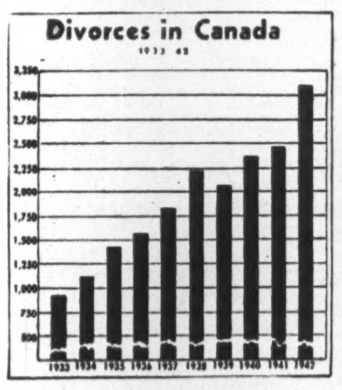
As to the breakdown of where chest dollars go, here are the most recent figures for Canada:

Family welfare including care of aged	26.1%
Child care and protection	23.3%
Youth training and summer camps, etc.	18.6%
Central services	6.0%
Health services	26.0%

The 6% for "central services" covers year-round administrative costs, collection of pledges, campaign expenses, etc. This is one of the most important reasons for chest popularity—the fact that on a national over-all average, welfare work can be financed at a very low figure. Actual campaign costs under chest procedure run as low as 2%. This compares with figures as high as 15% to 43% in the case of individual money-raising efforts by local agencies not under chest supervision and sponsorship.

Key City Budgets Up

Some indication of what war need has done to the chest budgets of social agencies is seen by comparison of allocation in 1939 and 1943.


Divorces in Canada
1933-42

For Halifax—one of Canada's most war-conscious communities—the money allocated for family welfare and relief has increased 60% in the four years; child protection and care expenditure has risen 80%.

In 10 large Canadian cities, allocations for child care and protection rose anywhere from 18% to 80% between 1939 and 1943, with most cities reporting increases of 30% to 50%.

The war has also enabled chest agencies to greatly strengthen their expenditure for "character" building and recreation facilities. The increased expenditure in this classification for 10 leading cities is anywhere from 10% to 70%.

Permanent Function Seen

One obvious and important question concerns the future role of the chest and the independent social agency: what will its function be in future, as state support for family allowances, pensions, health and other state-supported assistance increases?

The answer is, that in peace as in war, the social agency is becoming more and more a medium for providing community "services" at the social level rather than a means of giving economic assistance. It is assumed that the Government will increasingly assume the latter role; that the need will continue and expand, for well-run, efficient and competent social "service" agencies.

Harvest Hands Go West In Adequate Numbers

Newly arrived on the prairies from Ontario and Quebec were 4,500 harvest hands and arrangements had been made and 1,200 more to go, Labor Minister Mitchell said recently. It was indicated, he said, that harvest labor requirements would be met. An earlier plan to import Nebraska and Kansas workers has been abandoned.

A. J. Frieman Ltd. has declared a payment of $1.50 per share on arrears of preferred stock, payable, along with the regular quarterly dividend of $1.50 per share, on Oct. 2, 1944, to shareholders of record Sept. 15. Arrears, after giving effect to the above payment, will amount to $21.00 per share.

"We must beware of trying to build a society in which nobody counts for anything except the politician or official, a society where enterprise gains no reward and thrift no privilege."—Churchill.

"Every tree therefore...."

The Bible contains much sound counsel on commercial matters. Take for instance the instruction about the axe being laid to the root of the tree . . . there come times of testing in every order of society when every institution is judged by its works.

"Every tree therefore which bringeth not forth good fruit shall be hewn down . . ." But the statement is equally positive that every tree which does produce good fruit should be preserved and fostered.

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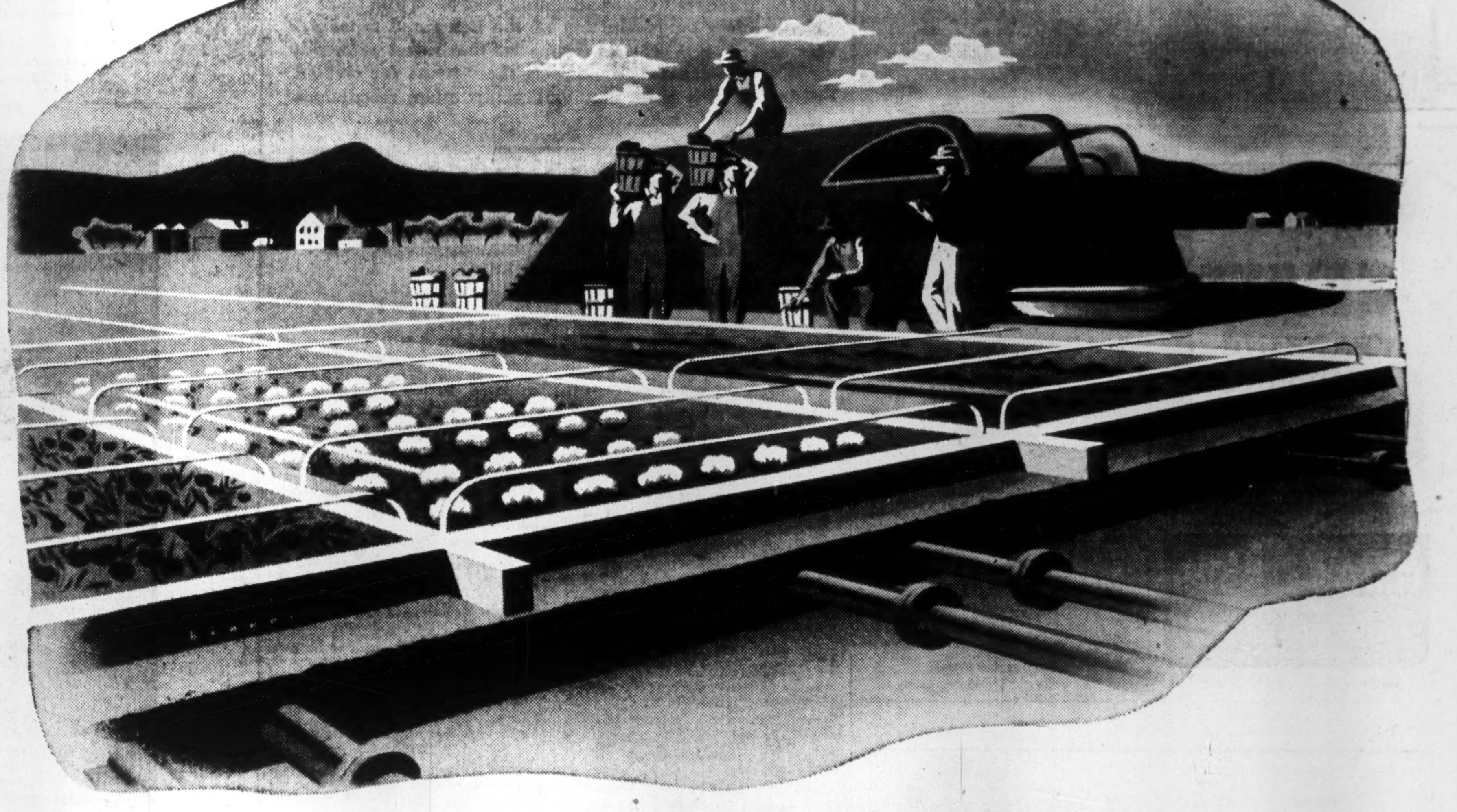

TOMORROW'S EVERGROWING GARDENS . . . Why should garden-fresh vegetables be available only in summer? Why should rich, ripe strawberries be a luxury in winter? *Men who think of tomorrow* are doing something about it. In Scotland, where seasons are short, it has been possible to grow six to eight crops of vegetables a year by heating truck gardens with underground steam pipes—under glass in winter, open to the air in summer.

MEN who think of tomorrow are planning to feed the world better than it has ever been fed before, to make it healthier than ever before. It is a glorious future to which we may look . . . *but only after this war is won!*

Are you working at your "war job" as hard as you can?

Are you saving and turning in wastepaper to help meet the serious shortage this country faces in the manufacture of containers for war materials?

Are you collecting and turning in every last drop of fat from your kitchen to help feed the hungry machines that turn it into TNT?

Are you heeding the Government's plea to curtail your personal travel so that troops and supplies can move freely over our already congested transportation systems?

Have you added your blood to that of millions of others to provide life-saving plasma for our wounded?

And have you increased your purchases of War Savings Certificates and Victory Bonds to the limit of your ability . . . and are you holding on to them?

Only by working hard at these and scores of other "war jobs" can we be sure of Victory . . . and the ever-ripening fruits of Victory. Let us *all* be MEN WHO THINK OF TOMORROW!

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Wheat Prices

Winnipeg Grain Futures

Week of Sept. 12, 1944

Crop year from Aug. 1, 1944 High	Low		High for week	Low for week	Close Sept. 12
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
1.30⅞	1.04¼	Oct.	1.00⅞	.92¼	.93½
1.12	1.04	Dec.	.98½	.91¼	.92¾
1.13⅛	1.10	May	.99¼	.92½	.93⅝

*At ceiling.

Cash Quotations

	For Week Sept. 12, 1944 High	Low	Prev. Week High	Low
Oats*				
2 C. W. ..	.51½	.51½	.51½	.51½
3 C. W. ..	.51½	.51½	.51½	.51½
Barley*				
1 Feed ..	.64¾	.64¾	.64¾	.64¾
2 Feed ..	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W. ..	.96¼	.92⅝	1.07	.98⅝

*At ceiling prices.

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Oat Export Permits to Go?

Price Slump Renders Present Policy Inconsistent

From Our Own Correspondent

WINNIPEG.—A decided break in Winnipeg prices for oats came last week as the result of continued declines in prices for that grain in the United States which at the moment provides the only important outlet for western oats.

The market in eastern Canada which, as usual, is expected to absorb considerable quantities of western oats during the current crop year, is comparatively quiescent at present with eastern demand for feed grain concentrated principally in barley.

The break was more important in the lower grades than in the top grades, 2 CW, which, except for a brief period, continued to sell at the ceiling price of 51½c. per bushel. But so keen had been the demand from south of the line that all grades of oats had commanded the top price, and exporters were willing to take them indiscriminately, provided that they got a fair average of the run of grades actually coming forward from the country. That situation has disappeared, and differentials have once again been established between market prices of different grades.

The steady decline which had been in progress in prices for oats in the United States had forced a steady drop in the prices charged by the Canadian Wheat Board for permits to export. These prices, known as equalization fees, were intended to offset the difference in prices prevailing in Canada and the United States. At the beginning of August the fee, varying from day to day, was in the neighborhood of 30c. a bushel. Last week it declined to 2c. per bushel for oats exported all rail to designations in the central states, or by boat from lakehead ports to Duluth, and 6c. a bushel for exports to eastern lake ports.

Exporters, noting a condition which was likely to bring further declines from day to day, had been slow purchasers of permits and the demand for oats had come mainly from exporters who had made commitments earlier, whether in advance sales across the border, in the chartering of vessel space, or in the purchase of permits.

Finally, the demand for cash oats got so thin that some handlers began to offer them for sale in the futures markets, a practice which for a time had been largely discontinued, as the lack of liquidity in the oats futures market had made it for a time an unsatisfactory medium for hedging sales. That developed a minor break in the future price, which for a long period had bid the ceiling, with practically no offers.

For one day the Canadian Wheat Board stepped into the picture and bought oats futures. That was in pursuance of its authority to implement the Government's guarantee of a minimum price basis of 45c. per bushel to farmers. The buying was not continued, the inference being that it was not considered necessary to maintain the guaranteed level, which at 6c. a bushel lower on the top grade than the ceiling price which had prevailed, and on feed oats 11½c. lower, did not seem to be endangered.

But for one day there was a curious situation in which a government agency was buying oats in order to sustain the price level, and at the same time was charging an export fee, which in the circumstances was one of the principal causes endangering the price level. The export fee system, which worked with a fair degree of satisfaction on a very strong market, was seen to be a difficult and unsatisfactory instrument on a declining market. Possibility of its abolition began to be discussed, as a necessary step to keep up a continuous demand for Canadian oats from U. S. buyers.

Another alternative discussed has been to charge differential fees for high grade and low grade oats, instead of the uniform fee which is now charged. If that fee correctly represents the price differential between Canadian and American prices for high grade oats, it is not necessarily correct on lower grades. If it properly prevents exporters from making undue profits on buying oats, the price of which is held down by the Canadian price ceiling policy, that consideration does not apply with respect to lower grades, the price of which is no longer at the ceiling.

Dime For the Farmers

An extra payment of 10 cents a bushel is made to all western farmers delivering oats for sale, the money being provided by the Dominion Government, through the machinery of the Wheat Board, as an advance payment against the proceeds of the equalization fee fund, the proceeds of which are regarded as distributable among all farmers selling oats. If present conditions continue, the equalization fee fund cannot possibly meet the charge against it, and the extra payment will represent, in considerable part, a cost to the Dominion Government. Any suggestion, however, for its discontinuance would be met with a counter demand for lifting the price ceiling on oats, and western farmers would regard the payment, not as a subsidy to them, but in essence as one to the eastern buyer of oats, for whose benefit the price is kept down by the ceiling.

The decline in prices for oats may possibly bring about some change in the barley situation. The eastern demand is so strong that the Dominion feeds administrator has forbidden the export of certain grades of western barley, for which an additional 55c. a bushel, or more than $1,000 per carload, could be obtained by selling it for export to the United States instead of forcing it into the eastern feed trade. Widening of the price differential between barley and low grade oats may possibly result in switching some of the eastern demand from the latter grade to oats.

PULP AND PAPER THIS WEEK

Hope For Good Wood Cut

From Our Own Correspondent

MONTREAL.—Preparations are under way for the coming season's woodcutting operations, and pulp and paper companies are hopeful of a relatively good cut, despite the general manpower shortage.

Although the larger companies earlier in the war adopted policies of cutting wood throughout the year, instead of just during the winter months, to increase total cut, during this last summer work in the woods has been completely suspended as a measure of co-operation with Government manpower authorities to permit release of maximum amount of labor to agriculture and other summer manpower needs. The Government, for its part, has agreed to give every co-operation in getting maximum number of men into the woods for fall and winter cutting—as soon as harvests are completed.

Due to Government co-operation last fall, the wood cut of this past winter was much ahead of earlier estimates, with 30% more men in the woods than year before, and has permitted output of more newsprint as well as other pulp products than in 1943. The wood to be cut this coming fall and winter will be for use next year.

Pulp Shortage in U.S.

Increase in military demands for pulp products, together with regular civilian requirements, have resulted in a tight pulpwood supply situation in the United States, Washington reports reveal. Although total pulpwood receipts by U. S. mills during the first seven months of this year (including imports from Canada) were 22% higher than in like 1943 period, the U. S. War Manpower Commission states that pulpwood receipts still are insufficient to meet present and expected military and essential civilian requirements for paper and pulp, and the commission has actively launched a campaign to recruit labor for logging camps through U. S. employment offices in co-operation with the pulpwood industry.

New Pulp Mill "Considered"

The pulp and paper industry is watching with interest the move for a Government-owned pulp mill in Saskatchewan. J. L. Phelps, new provincial minister of natural resources, has announced that the Government is "considering" construction and operation of such a mill. One of the problems that would have to be faced by such a mill would be that of transportation, if the Government mill sought to serve other than local needs and enter into competition with privately owned mills elsewhere. Most large pulp and paper mills are located convenient to low-cost water transport. Another problem at this time, of course, is obtaining the necessary machinery and mill equipment.

New Newsprint Uses

An instance of new uses for newsprint other than in the publishing business is found in a recent report issued by the U. S. Department of Commerce. In Honduras during the period 1938-39 to 1941-42, imports of newsprint increased by about 20%—but very little of this increase went to newspaper or periodical publishers. The major part of increased use was as wrapping paper for merchandise, especially foodstuffs, in various parts of the country. This is borne out by the fact that the almost 50% reduction in newsprint imports into Honduras during the past two years has not affected the publishing industry in any way.

Have We a New Farm Empire in North. Ont.?

(Continued from page 13)

not enough to make it worth anyone's while to ship in high class, uniform wholesale graded lots to the industrial centres. In a few cases connections have been established especially in highly perishable dairy products but these were exceptional. In one place farmers reported they could get no offers whatever on their hogs because there were not enough marketable animals to make up a carlot. It is the same story almost everywhere, and with the possible exception of seed potatoes, northern farm produce is not as uniform in quality or volume as it would be if there was a smooth flow from the farms to markets.

Electric Power

The electric power problem is somewhat similar. There is a lot of power generated in the north. One sees big high tension lines frequently, but local rural lines are very rare. The power goes almost entirely to the big industrial users, the mines and the pulp mills. This is good profitable business for the Ontario Hydro and the privately owned companies, building a lot of rural lines to sell a few dollars worth of electricity to farmers a half a mile or more apart, would not be. Government subsidized rural power lines are almost certain to be recommended by the Ontario legislature for the north country.

As for providing more technical agricultural knowledge that seems like a long term proposition. Both the Dominion and provincial authorities will probably increase their technicians after the war, any settlement schemes are likely to include some expert supervision and there may be some agricultural vocational schools opened soon. But this won't provide all the answers for the simple reason that nobody knows them all. The ideal farm combination for northern Ontario will not be the same as that for old Ontario or the prairies because climate and soil are different. New early maturing strains and types of crops may have to be developed as well as new methods of handling. Some progress has been made along this line, more, I was told, is needed and also a much more general appreciation of the value of scientific work already done. Until then it is going to be exceedingly difficult to definitely blueprint the future.

The Future

I couldn't find a single competent observer who would hazard a guess as to how many people this country might hold. Under ideal development about all they would volunteer was "several millions" and that "it would take some time." A few, remembering the experiences of the returned soldiers after the last war and relief settlement during the depression were extremely dubious of any wholesale settlement. Most of them, however, thought that thousands of settlers might be brought in steadily each year, granted certain major problems were solved.

On one point, however, all are agreed, the soil is rich and the climate good. Huge farm production is possible. This country won't grow bananas, but it will grow hay, grain and livestock and provided adequate skill is used there should never be a crop failure.

Canadian Celanese Issues New Debentures

A new issue of $5,000,000 of 3½% debentures of Canadian Celanese Ltd. are being offered by Nesbitt, Thomson & Co. at par and accrued interest. Debentures are to be dated Sept. 1, 1944, and to mature Sept. 1, 1959. The issue is already fully subscribed.

A new bond issue of $533,500 Church of Ascension of Our Lord, Westmount, has been offered by W. C. Pitfield & Co. The bonds are dated Oct. 1, 1944, and will mature serially Jan. 2, 1946 to 1975 inclusive. Priced at 100 and accrued interest, the coupon rates range from 3% to 4%. Proceeds will be used to redeem the outstanding 4½% bond issue.

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Are a Sound Investment
At a time when economy counts, it pays to order clothes that, because of their fine fabrics and workmanship, will continue to look well and feel well long after other clothes are discarded.
Choose now from our collection of distinctive British materials.
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NO SHORTAGE OF RAG PAPERS

...PAPER MILLS LIFT QUOTAS, but Consumers still bound by Order No. 332

In the past few months supplies of papers made from rags have improved to the point where it is possible to lift the quota restrictions on such papers. This does not apply to all papers . . . *only* rag stocks. Consumers of paper, however, must still abide by the terms of the Administrator's Order No. 332, which limits the amount of printed matter which they may purchase.

The present situation may not be permanent but it permits paper merchants and processors of paper to bring their stocks up to normal and so be in a position to supply their customers on *demand.* This means consumers may now use a good rag paper for letterheads and permanent forms and, for these purposes, rag papers have proven much more satisfactory. They look better, are far stronger and retain their strength and utility over longer periods. In addition, nearly all rag papers are also available in heavier weights.

By switching to rag papers, you will be serving your own interests as well as helping to relieve the present severe shortage of wood pulp papers.

Here are the Howard Smith Rag Papers
use them where possible:-

ROYAL RECORD
in substance 13 — 16 — 20 — 24
ROYAL RECORD LEDGER
in substance 28 — 32 — 36
BELL-FAST BOND
in substance 13 —16 — 20
GENOA BOND
in substance 16 only—but still a rag content paper.
KRYPTON PARCHMENT
in substance 13 — 16 — 20 — 24
KRYPTON LINEN LAID
in substance 20 — 24
KRYPTON EXTRA STRONG
a light, strong multicopy paper.
AIR MAIL BOND
the lightest of the Air Mails.

HOWARD SMITH PAPER MILLS LIMITED
KRYPTON PARCHMENT
BELL-FAST BOND
ROYAL RECORD
BOOK & BLOTTING PAPERS
AUTOGRAPH MIMEOGRAPH
VICTORY BOND
PROGRESS BOND
BRISTOL & SPECIALTY PAPERS

Have a Coca-Cola = Look who just blew in

DRINK
Coca-Cola
TRADE MARK

...or how to say "Welcome" to an old friend

A hearty handshake, a slap on the back, and those familiar words *Have a "Coke,"* and your returned sailor knows he's back with the gang. These three simple words are the theme song of comradeship from Main Street to all the bounding main. From Halifax to the Seven Seas Coca-Cola stands for *the pause that refreshes* — has become the *Hello friend* of both hemispheres.

Coca-Cola
Coca-Cola
-the global high-sign

It's natural for popular names to acquire friendly abbreviations. That's why you hear Coca-Cola called "Coke."

THE COCA-COLA COMPANY OF CANADA, LIMITED 576

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto

Week ending Monday close

Winnipeg and Vancouver

Week ending Saturday close

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Sept. 12, 1944

%	Due	Bid	Ask.
2	Mar. 1945 ...	100⅞	101⅛
2	Dec. 1946 ...	100⅞	101⅛
4½	Feb. 1946 ...	104½	104⅞
2½	Mar. 1948 ...	101⅛	101⅜
1⅞	May 1946 ...	100½	101
3½	June 1949 ...	102½	103½
3½	Oct. 1949 ...	100	100½
1st Victory Loan:			
3	June 1951 ...	103⅞	104⅜
3½	Nov. 1951 ...	104½	104⅞
4	Oct. 1952 ...	106	106⅜
3½	Feb. 1952 ...	105	105⅜
3	Oct. 1952 ...	102⅞	103½
2nd Victory Loan:			
3	Mar. 1954 ...	102½	103⅜
3	June 1955 ...	101	101⅜
3rd Victory Loan:			
3	Nov. 1956 ...	101½	101⅞
4½	Nov. 1956 ...	105⅞	106½
4½	Nov. 1957 ...	107½	107⅞
4th Victory Loan:			
3	May 1954-57 .	100½	100⅞
3	June 1958 ...	99⅞	100⅜
4½	Nov. 1958 ...	108⅞	109½
4½	Nov. 1959 ...	109⅞	110⅜
5th Victory Loan:			
3	Jan. 1959 ...	99⅞	100½
6th Victory Loan:			
3	June 1960 ...	99⅞	100½
3½	June 1966 ...	102½	103
3	Perpetual ...	96⅞	97⅞
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950 ...	101 3/8	102½
3	Jan. 1959 ...	99½	100½
4½	Sept. 1951 ...	123½	...
4½	Feb. 1956 ...	127	...
4½	July 1957 ...	128	...
3	Feb. 1953 ...	101⅞	102⅞
4⅞	June 1955 ...	128½	...
5	Feb. 1954 ...	116⅞	118½
5	Oct. 1969 ...	127⅞	...
5	Feb. 1970 ...	127⅞	...
Can. Nat. W. Ind. S.S.			
5	Mar. 1955 ...	129½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	110	112
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947 ...	111	113
3	Oct. 1951 ...	98½	100½
3½	Aug. 1949 ...	99½	101½
3½	June 1956 ...	100⅞	102⅞
4½	Apr. 1961 ...	121	123
5	Jan., 1960 ...	125	127
Nova Scotia:			
3	Jan. 1952 ...	99½	101½
3½	June 1956 ...	100⅞	102½
3½	Nov. 1950 ...	102⅞	104⅞
4½	Sept. 1952 ...	116	118
4½	Nov. 1960 ...	123	125
5	Mar. 1960 ...	129	131
Ontario:			
2½	May 1945 ...	100½	101½
3	Apr. 1948 ...	101½	103
3	Nov. 1950 ...	101½	103
3½	Nov. 1951 ...	102⅞	103⅞
3½	May 1955 ...	102½	103⅞
4	June 1962 ...	122	124
4½	June 1950 ...	109½	110⅞
4½	Jan. 1962 ...	128	131
5	Oct. 1948 ...	109½	110⅞
5	Dec. 1960 ...	135	138
5½	July 1946 ...	105½	106⅞
Ont. Hydro Commission:			
3	Aug. 1948 ...	101½	102⅞
3½	Feb. 1953 ...	102	103½
3½	Apr. 1947 ...	103½	105
Prince Edward Island:			
4	Mar. 1954 ...	103	105
Quebec:			
3	Nov. 1947 ...	100	101
3½	Mar. 1948 ...	100	102½
3½	Mar. 1959 ...	101½	103½
4	Nov. 1952 ...	103½	105½
3⅞	Feb. 1955 ...	102½	104⅞
4½	Aug. 1958 ...	108⅞	111½
4½	Jan. 1963 ...	113⅞	116½
Alberta:			
4½	Oct. 1956 ...	92	95
4	Dec. 1954 ...	88½	91½
5	Oct. 1959 ...	92½	95½
5½	Apr. 1952 ...	93	96
6	Mar. 1947 ...	90½	93½
British Columbia:			
4	Dec. 1957 ...	116½	118⅞
½	Jan. 1951 ...	118	120½
4½	Oct. 1953 ...	119	121½
5	Apr. 1954 ...	123½	126½
5½	Feb. 1945 ...	100½	102
6	Feb. 1947 ...	106	108½
Manitoba:			
4	Dec. 1957 ...	110⅞	113½
4½	Dec. 1956 ...	115⅞	118½
5	Dec. 1959 ...	120½	123⅞
5½	Oct. 1955 ...	115	118
6	Apr. 1947 ...	105	107⅞
Saskatchewan:			
4	Sept. 1954 ...	90½	93
4	Nov. 1960 ...	89½	92
4½	Oct. 1951 ...	103½	106
4½	Mar. 1960 ...	99½	102
5	Aug. 1958 ...	96½	99
5½	Oct. 1952 ...	98	100½
6	Mar. 1952 ...	100	102½

*Payable N.Y.

Unlisted Stocks

Toronto, Sept. 12, 1944

The following list is a consolidation of quotations provided by several major dealers in the unlisted field. Where these quotations on individual stocks vary, we present the highest bid and lowest ask price appearing on any of the lists.

	Bid	Asked
Aikenhead Hardware Co. ..	75	80
Allens Kingston units	66	..
Allens London Theatre pfd.	50	..
Allens St. Catharines units	54	..
Allens Toronto units	36	..
Anglo Can. Telephone A ..	9.25	9.75
Atlas Steels, com.	30.75	32
Do., 1st pfd.	108	110
Beach Foundry, pfd.	65	..
Brinton Peterboro Carpet .	56	..
British American Assur. ..	53	..
British Mortgage & Trust .	132	..
B. C. Sugar	85	88
B. C. Telephone, 1st pfd. ..	112	..
Brockville Trust $50 par .	50	..
Can. Co-op. Woolgrowers .	8	10
Can. General Invest.	12.25	13
Can. Industries, A com. ...	164	167
Canada Machinery, com. ..	7.25	8.25
Canada Tea, pfd.	45	..
Canada Paving, 1st pfd. ...	3	4
Canadian Investors Corp. ..	5.60	6.50
Canadian Motor Lamp, A .	8.25	9.25
Can. Western Lumber, com.	.80	1.10
Can. West. Nat. Gas, com. .	34	..
Do., pfd.	103	106
Capital Trust, $100 par	37	41
Capital Wire Cloth, com. ..	5	7
Do., pfd.	20	..
Cawthra Apts. units	3.50	..
Chase, A. W. units	24	..
Colonial Realty, com.	3.50	..
Colonial Steamships, com. .	73	75
Commercial Finance, com. .	7.50	9
Commercial Life, 10% pd. .	7	8.50
Confederation Life Assoc. .	130	136
Continental Life Ins.	30	33
Crown Life Ins., 100% pd. .	270	..
Debent. & Securities, pfd. .	90	..
Detroit Inter. Bridge	14	15.50
Dom. Can. Gen. Insurance .	141	..
Dominion Life Assurance ..	170	200
Dover Industries Ltd.	8.50	9.25
Dunlop Tire, pfd.	25.50	26.75
Eastern Steel Prod., pfd. ..	21.50	23
Easy Wash. Machine, pfd.	10.75	11.50
Edmonton Stk. Yards, units	50	..
Empire Life Ins., 25% pd. ..	13.50	..
Excelsior Life Ins., 40%	83	..
Fed. Foundries & Steel, c.	2.27½	..
Do., new com.	2.75	..
Foreign Power Secs., pfd. ..	4	..
Galt Brass, com.	15	20
Goderich Elevator & Trans.	12.25	13.50
Great Lakes Power, pfd. ..	114	116
Great-West Life	270	..
Guardian Realty, pfd.	21	25
Guelph & Ont. Svgs., $50 ..	52	55
Gurney Foundry, pfd.	2.35	2.75
Hart Battery, com.	6	..
Highland Dairy, pfd.	60	..
Homewood Sanitarium	88	..
Hudson's Bay, ord.	13	..
Industrial Mtge. Trust, $50	27	..
Ingram & Bell, pfd.	95	..
Inter. Utilities, $3.50 pfd. ..	52.50	55.50
Kingston Shipbldg., com. ..	13	14.50
Lambton Loan & Inv., $50 .	43	46
Loblaw Groc. Inc.	12.25	13.50
London & West. Trust, $100	45	..
Manufacturers Life Ins. ...	255	260
Midland Loan & Svgs., $10 .	14.50	17
Moirs Limited, pfd.	80	..
Monarch Life Assce., 20% .	40	..
Monarch Mtge., units	2	2.75
Morrison Brass, pfd.	13.50	15
Morrow Screw, com.	15.50	..
Do., pfd.	101	..
National Drug & Chem., c.	4.50	5
National Hosiery, pfd.	1.25	2
Do., com.	1.15	..
National Life Assce., 25% .	17	..
Neilson, Wm., com.	13	..
Do., pfd.	101	..
New Method Laundry, un. .	92	96
Nor. American Elev., 1st pf.	80	85
Northern Ont. Power, pfd. .	60	..
Ont. Tobacco Plants, units .	15	19
Paramount Kitchener, units	52	..
Paramount Oshawa, pfd. ..	85	..
Premier Trust, $100	44	..
Provincial Paper, pfd.	106	108
Prudential Trust	3.50	5
Ritchie Cut Stone, pfd.	1.25	..
Ruddy, E. L., pfd.	62	..
St. John Drydock, pfd.	97	..
Sawyer Massey, com.	1	..
Seiberling Rubber, com. ...	3.50	5.50
Sincennes McNaughton T. .	2	2.75
Sovereign Life Assce., 25%	25	28
Standard Fuel, pfd.	89	..
Do., com.	2	..
Stedman Bros., pfd.	57	..
Sterling Trust	63	..
Strand Hamilton, pfd.	72	..
Sun Life Assce.	305	320
Theatre Properties, com. ..	2.85	3.50
Third Can. Gen. Inv.	2.60	3.10
Toronto Carpet, pfd.	72	..
Toronto General Ins.	5	6
Trusts & Guarantee, $100 ..	44	46
Union Stk. Yds. Sask., 8% p.	90	..
United Farmers Co-op.	3	4
United Steel, A pfd.	25	26.50
Viceroy Mfg., pfd.	24	..
Victoria Trust & Svgs.	84	..
Waterloo Mfg., com.	5	6
Waterloo Trust & Svgs.	101	..
Wentworth Radio, com. ...	1	1.50
Western Assur., com.	50	53
Do., pfd.	40	44
Western Grain, com.	1.20	1.70
Do., pfd.	42.50	44
York Trading, com.	4.75	6

Unlisted Mines

Approximate quotations, 4 p.m., Sept. 12, subject to confirmation:

	Bid	Ask
Alba River (new)	.16	.18
Aljo	.05	.07
Amal Kir	.31	.33
Ama Lar	1.05	1.10
Mica Co	.05	.08
Ang Rou	.53	.56
Anna'que	.06	.08
Anoki	.12	.14
Apex Oil	.08	.10
Arntfield (old)	.05½	.07
(new)	.21	.23
Aurora Y	.27	.30
Auterra	.35	.37
Bar Larder (new)	.04½	.05½
Bele-Bry	..	.75
Blondor	.78	.81
Br Breest	.04	.05
Bravo	.22	.24
Brig R L	.12	.13
Brock	.14	.16
Burley Po	.06½	.08
Calder Bo	.07	.09
Camlaren	.13	.15
Carriconn	.11½	.12½
Cen Man	.06	.08
Classic S	..	.12
Cock R L	.03½	.04½
Columbier	.13½	.15
Con Chib	.11	.14
Derl R L	.05	.06½
De Santis (new)	.17	.22
Dom Mal	.16	.18
Dona Pat	.05½	.07
Donalda	1.00	1.10
East Amp	.45	.48
Eastward	.21	.25
Elder M	.17	.20
Eldona	.11	.13
Electra	.07	.09
Geral L L	.04	.05
Gol Man	.55	.58
Goldora	.24	.26
Goodrock	.09½	.11
Gt L Iron	.05	.07
Harp Mal	.06½	.07½
Hayes Cd	.03½	.04
Heva Cad	.12	.13
Highridge	.04½	.05½
Homer	.27	.30
Hosco	.26	.28
Hoyle n'w	.12	.14
Hugh Mal	.06	.08
Hugh P P	.14	.16
Kamlac	.40	.44
Kayrand	.50	.53
Laguerre	.18½	.20
Lk Expa	.37	.40
Lar-Add	.08	.10
Lar'd old	.04	.05
Larder U	.06½	.07½
Lavalie	.13½	.15
Legardo	.03	.04
Lynx	.35	.37
Mag Con	.32	.35
Major Oil	.24	.26
Marbenor	.23	.25
Marquette	.04	.05
Mar Bird	.06	.07
Mar-McNe	.04	.06
Mary Ann	..	.10
Marlon R	.13	.15
Mat Con	.31	.34
Metalore	.04½	.05½
Moffatt H (new)	.03	.04
Mohaw P	.08	.10
Mosher	.22	.23
Mylamaque (new)	.21	.23
McCu R L	.12	.14
McManus	.06½	.08
Nat Mal	.36	.38
Naybob	.03	.05
New Aug	.18	.21
Nicholson	.09	.11
Nick Off	1.15	1.30
New Mal	.27	.31
Norbeau	.75	.85
Norbenite	.14	.16
Norseman	.10	.12
Northland	.09	.10
Novell P	.13	.15
Obalski	.10	.11
Obaska	.55	.65
Oklend	.07½	.08½
Olivet	.13	.15
Opemiska	.06	.09
Orpit	.11	.13
Pascalis	.42	.44
Pelangio	.06	.07
Pontiac Rou (old)	.16	.20
Poona Go	.11	.13
Porc Reef	.21	.24
Presdor	.04	.05
Privateer	.43	.45
Que Man	.25	.28
Rajah RL	.06	.09
Rambull	.17	.19
Rand Mal	.33	.35
Raym Tib	.24	.26
Rebair	.49	.52
Redwood	.07	.08½
Ritoria	.15½	.17
S.A.G.A.	1.30	1.50
Sheldon	.21	.24
Skyn Lk	.05	.06
Stadacona	.41	.44
Tiffany	.46	.49
Tobico	.02½	.03½
Tombill	.19	..
Tovarich	.03	.04
Un Mining	.14	.16
Univer Pe	.11	.13
Wesley	.03	.04
West R L	.03	.05
West Shor	.09	.10
Winchester	.28	.30
Wingait	.13	.15
Yellowrex	.63	.67
Y Davids	.32	.34

Significant Investors' Index Numbers

	Macn and equiq.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	4	4	10	12	7	15	15	8	18	95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1944: Monthly Figures:												
Jan.	108.7	111.2	94.6	75.0	119.7	89.8	142.3	86.1	94.8	78.3	99.4	81.9
Feb.	108.7	114.8	96.1	74.0	122.4	93.1	141.4	86.5	97.3	79.1	102.7	82.0
Mar.	108.9	116.9	97.6	72.2	121.5	93.8	132.8	88.4	95.1	79.3	100.4	84.5
Apr.	106.6	109.0	96.5	70.0	118.3	93.0	149.2	87.3	92.0	78.4	97.0	79.3
May	107.0	112.3	96.4	70.4	118.8	92.8	152.1	86.6	91.2	78.0	97.5	79.9
June	113.0	118.5	97.3	73.4	122.5	94.6	150.9	93.3	95.6	78.1	102.0	83.7
July	116.2	134.0	100.3	76.6	125.2	101.2	154.3	98.9	93.9	78.2	104.3	87.5
1944: Weekly Figures:												
Aug. 1 ..	115.2	132.8	100.1	75.6	124.2	98.8	154.9	98.1	93.5	78.7	103.6	86.5
Aug. 10 ..	117.2	133.6	98.5	75.7	125.9	100.1	153.3	97.4	93.4	79.3	103.9	86.6
Aug. 17 ..	117.1	134.9	100.3	75.2	127.8	103.2	156.1	96.8	92.6	85.0	101.2	87.2
Aug. 24 ..	116.6	135.4	100.7	73.4	128.1	105.8	154.2	96.9	92.7	87.9	100.5	86.5
Aug. 31 ..	118.4	137.0	103.3	73.9	127.2	103.5	154.4	97.8	92.7	90.0	100.3	86.7
Sept. 7 ..	115.0	131.1	102.2	72.1	127.7	104.5	150.1	95.7	89.8	88.8	98.0	84.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Sept. 12	125.93	111.40	73.71	27.06
Sept. 11	126.33	112.52	74.40	27.30
Sept. 9	126.45	113.34	74.59	27.41
Sept. 8	126.15	113.31	74.47	27.30
Sept. 7	126.30	113.03	74.86	27.59
Sept. 6	127.40	113.98	75.31	27.75
Month ago ..	127.06	111.64	73.91	28.81
Year ago	121.57	100.71	75.09	25.17
High 1944 ...	128.45	114.60	77.15	29.61
Low 1944 ...	116.63	99.54	67.37	26.39

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Sept. 12	52.8	86.1	75.0	160.57	83.33
Sept. 11	52.9	85.5	74.7	163.36	83.34
Sept. 9	52.5	85.5	74.5	163.07	84.20
Sept. 8	52.4	85.4	74.4	164.19	84.32
Sept. 7	52.1	85.3	74.5	163.41	84.64
Sept. 6	52.4	86.8	75.3	166.53	85.32
Month ago.	53.1	87.0	75.7	166.56	83.30
Year ago ...	61.8	80.3	74.1	114.89	78.95
High 1944 ..	55.9	89.0	77.7	174.15	88.35
Low 1944 ..	51.9	73.8	67.5	116.68	72.95

Volume of Stock Sales

	Montreal	Toronto	Vancouver
	Total Volume		
Sept. 12	35,400	630,000	......
Sept. 11	28,000	599,000	......
Sept. 9	12,400	223,000	23,555
Sept. 8	36,700	591,000	......
Sept. 7	67,200	538,000	43,200
Sept. 6	44,400	522,000	37,220

Oil Stocks

	Div. rate $	Last sale	Sept. 11 Bid	Ask
Anaconda	...	.04½	...	..
Commoil	...	.20	.19	.23
Dalhousie	...	.31	..	..
Grease Creek	...	.02½	.01	..
Madison	...	.02	..	..
Marvel	...	.02½	..	.02
McD. Segur	...	.03	.06½	.07
McLeod	...	.12½	..	.11½
Mercury	...	.05½	.06	.07
Mill City	...	.08½	..	.09
Model	...	.18	.17½	..
Pacific Petroleum .	...	.62	.58	.63
Phillips Pete.	...	.03½	..	..
Royal Canadian ..	...	.03½	.03½	.03½
South End	...	.02½	.03	.03½
South West Pete. .	...	.20	.19	.22
Spooner	...	.06	.08	.10
Trans. Alta.	...	.12	..	..
United Oils	...	.05	.05½	..
Vanalta	...	.07½	.09	.10

† Paid in 1943. ▲ Paid or payable in 1944 to date.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.53	$11.53	$11.96
Hogs	17.45	17.45	16.86
Copper, lb.	*.12	.12	.12
Sugar, raw, lb. ..	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.6	103.5	102.8
Dow Jones (fut.) .	92.57	94.00	86.33
Fishers	113.2	113.0	110.6
Monthly Indices			
Canada (D.B.S.):			
Retail (June) ..	119.0	119.0	123.8
W'sale (June) ..	102.1	101.8	94.4
U. S. (April)	103.9	103.8	103.7
Gr. Brit. (April)	165.5	164.9	162.8

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic. New York. No. 7 coffee, Rio. Sugar 96 degrees centrifugal c.f New York.

*Ceiling prices fixed by the office of Price Administration.

Municipal Bonds

September 12, 1944

	%	Due	Bid	Ask.	Yld. %
†Halifax ...	5	1961	118.00	121.00	3.36
Hamilton .	5	1950	110.50	113.00	2.55
Montreal ..	3	1950	97.50	100.00	3.00
Ottawa ...	3	1953	101.25	103.25	2.58
†Quebec ..	5	1959	118.75	121.75	3.17
Saint John	5	1950	106.25	109.25	3.37
†Toronto ..	4½	1955	123.50	126.50	1.73
†Vancouver.	5	1970	119.50	122.50	3.64
Winnipeg ..	6	1950	112.625	115.625	3.05

† Payable Can. & N. Y. • Flat.
‡ Traded without accrued interest.
▲ Payable in Can. & U. K.

Bond Redemptions

Bond Issues—	Rate	Year	Due	Price
Algoma Cent. Tm.	5%	1959	Nov. 30	125%
Donnacona P.	‡5½%	1947	Sept. 15	101½
Silverwoods D.	4½%	1956	Sept. 30	103
Famous Players	4½%	1951	Oct. 19	102
Candn. Canners ..	4%	1951	Nov. 1	102
Mtl. Is. Pwr. ..	5½%	1957	Nov. 1	102
National Light ..	4½	1961	Tenders	

‡$8,500 †44,300. ▲$50,000 ■$482,500.
*$8,500.

Corporation Bonds Cont'd

Massey-Harris .	4½	'54	101½	104	101½
McColl-Fron. ..	4½	'49	102½	104½	102½
McCormicks ...	4	'52	101½	103½	...
Do.	4½	'52	101½	103½	101½
Mercury Mills .	5	'59	100	102½	99½
Mersey Paper .	5	'57	100	103	100
†Do.	6	'49	100	103	100
*M. & O. Paper .	5	'60	112½	114½	112½
Moirs Ltd.	6	'53	99½	..	99½
‡Mtrl. Drydocks .	6	'48	97	100	97
Montreal Apts. .	4	'54	84½	..	84½
N.S. Stl. Coal .	3½	'63	91	94	91½
Price Bros.	5	'57	102½	105	102½
*Prov. Paper ...	5½	'47	109½	111½	109½
Reliance Grain .	4½	'52	100½	103½	101
†Restigouche Co.	6	'45	107	109	107
Rolland Paper .	4½	'51	101½	104	101½
Ruddy, E. L. ..	6½	'48	100½	103	100½
Silv. Dairies ...	6	'66	100½	103	100½
Simpsons, Ltd..	4½	'51	100	102½	100
Smith, Howard	4½	'51	102	104½	102
Stand. Lime ...	6	'44	99½	101½	99½
Sterling Coal ..	6	'45	100	102½	100
United Amuse. .	5	'56	102	...	102
United Corp. ..	4	'58	99½	102	99½
*United Gas ...	5½	'48	107	109	107
United Gr. Grs.	4½	'58	100½	103	100½
†Western Grain .	5	'63	93½	96½	94

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
▲Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U.K.

Bond Tenders

12 noon, Sept. 14, Canada Treasury Bills —$65,000,000 dated Sept. 15, 1944, payable Dec. 15, 1944.

Asks For Protection For Airplane Makers

From Our Own Correspondent

MONTREAL. — Tariff provisions applying to the Canadian aircraft industry should be revised after the war to meet "realistically the needs of the situation as it exists in Canada," says a memorandum submitted on behalf of the Air Industries and Transport Association of Canada by R. B. C. Noorduyn, the president.

Specifically, the association asks that in any postwar international trade agreements provisions should be made for preferential treatment on aircraft produced in Canada, when exported to countries party to such agreements, and that there should be active efforts to obtain such agreements.

A protective duty, it also is maintained, should be imposed by Canada on aircraft and substantially complete components, to permit airplane manufacture in this country to become firmly established.

Duties and war exchange regulations affecting imports of parts, materials and components, of types and sizes not made in Canada, should be revised downward, it is maintained.

Gatineau Rate Cuts Will Lower Tax Bill

From Our Own Correspondent

MONTREAL — Whether recently announced reductions in rates on the Gatineau Power Co. system will affect retainable earnings after taxes to any important extent must depend on how well sales are maintained, and other factors.

In a statement to The Financial Post on possible effect of the new rate reductions, G. G. Gale, president, says:

"The distribution system of Gatineau Power Co. in Quebec province serves about 5,000 square miles, from Campbell's Bay along the north shore of the Ottawa River to Ile Perrot, northeast of Montreal in the Laurentians and southwest of Montreal to Napierville.

"This territory was originally supplied by 12 separate properties from isolated power plants at rates for electricity which varied over a wide range. Substantially all these separate systems have now been rehabilitated and connected, drawing their power supply from 14 inter-connected generating plants.

"When consolidation took place a number of new rates became effective but for one reason or another many of the old schedules continued in force.

"The new schedules which became available after July 20 will replace practically all of the old ones. In many cases the old rates have been rearranged and reduced by from 20% to 30%. They compare favorably with the lowest rates in Quebec province and elsewhere. They will afford the consumers an attractive opportunity to make use of presently installed and new electrical appliances of all kinds.

"It is too early to estimate what effect these new rates will have on earnings of the company."

Company Meetings

1944	Company	Place
Sept. 13—	Ont. Tob. Plant.	Toronto
Sept. 14—	Ontario Steel Prod. .	Gananoque
Sept. 15—	Union Gas Co. of Can.	Chatham
Sept. 20—	Loblaw Groc. Co. Ltd. ..	Toronto
Sept. 22—	Barcelona Traction	Toronto
Sept. 22—	Power Corp. of Can. ..	Montreal
Sept. 25—	Kerr Lake Mines	Broadway, N.Y.
Sept. 26—	Lake Shore Mns. ..	Kirkland L.
Sept. 28—	Canada Perm. Mtge.	Toronto
Sept. 28—	The Landed Bank	Hamilton
Oct. 11*—	Canada North. Pwr. ..	Montreal
Oct. 11—	S. American Gold ...	New York

* Adjourned from Sept. 6, 1944.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.82	4.19
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.90	4.25
Can. Investors	5.50	6.25
Corporate Inv.	6.75	7.25
Trans-Canada	11.35	12.40

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, p.	1¾%	Oct. 2	Aug. 31
Alum. of Can.	1.25	Nov. 44	Oct. 4
Asbestos Corp., c.	.20	Sept. 30	Sept. 1
Assoc. Brew., c.	.25	Sept. 30	Aug. 31
American Cyan. †A	.15	Oct. 2	Sept. 9
Do., †B	.15	Oct. 2	Sept. 9
Bank of Nova Scotia	2.50	Oct. 2	Sept 15
Beatty Bros. (A)	.50	Oct. 2	Sept. 15
Do. (B)	.25	Oct. 2	Sept. 15
Belding-Corticelli c.	1	Oct. 2	Aug. 31
Do., 7%	1.75	Oct. 2	Aug. 31
Bralorne	.20+.10	Oct. 14	Sept. 21
Bell Telephone, c.	2.00	Oct. 16	Sept. 23
Brazilian	1.50	Oct. 2	Sept. 15
B. A. Oil	.25	Oct. 2	Sept. 5
Brantford Cordage	.32½	Oct. 14	Sept. 20
B. C. Power (A)	.40	Oct. 14	Sept. 30
B. C. Pwr. Corp.	.40	Oct. 14	Sept. 30
Burlington Steel, c.	.15	Oct. 2	Sept. 11
B.C. Elec. Pwr.	1.50	Oct. 2	Sept. 20
Broulan Porc.	.04	Oct. 31	Sept. 30
Buffalo-Ankerite	.05	Sept. 18	Sept. 4
Building Products	.15	Oct. 2	Sept. 14
Burlington Steel	.15	Oct. 2	Sept. 11
Calgary & Edm.	▪.05	Oct. 16	Sept. 19
Can. Cement, pf.	1.25	Sept. 20	Aug. 25
Can. Crushed St., c.	.10	Sept. 20	Sept. 1
Can. Cycle pref.	1.25	Sept. 30	Sept. 15
Can. N. Power	.15	Oct. 25	Sept. 20
Do., pref.	1.75	Oct. 16	Sept. 20
Can. Packers	1.00	Oct. 1	Sept. 2
Can. Steamship	.50	Oct. 2	Sept. 1
Can. Permanent	2.00	Oct. 2	Sept. 15
Confederation Life	1.50	Sept. 30	Sept. 25
Do.	1.50	Dec. 30	Dec. 25
Candn. Can.	.20	Oct. 2	Sept. 15
Do., 1st, p.	.30	Oct. 2	Sept. 15
Do. 2nd, p.	.23	Oct. 2	Sept. 15
Candn. Cel., c.	.25+.25	Sept. 30	Sept. 15
Do., pref.	1.75	Sept. 30	Sept. 15
Candn. Cottons	.30	Oct. 2	Sept. 1
Do., pref.	.30	Oct. 2	Sept. 1
Candn. Gen. Elec., c.	2.00	Oct. 2	Sept. 15
Candn. Car. old	.52	Oct. 10	Sept. 21
Do., new pf.	.52	Oct. 10	Sept. 21
Candn. Ingersoll, c.	.50	Sept. 27	Spet. 15
Candn. Tire, c.	†.20	Dec. 1	Nov. 20
Carnation Co.	†1.00	Oct. 1	Sept. 21
Cen. Patricia	.03	Sept. 30	Sept. 7
Cons. Bakeries	.20	Oct	Sept. 11
Candn. Wire	.37½	Oct. 2	Sept. 11
Candn' Brew.	.85	Oct. 2	Aug. 15
Candn Westinghouse	▪.50	Oct. 1	Sept. 15
Candn. Food	.62½	Oct. 2	Aug. 31
Candn. For. Inv., c.	.50	Oct. 1	Sept. 1
Candn Ind.	1.25	Oct. 31	Sept. 29
Do., pref.	1.75	Oct. 14	Sept. 15
Cassidy's, pf.	▪1.75	Oct. 2	Sept. 2
Celanese 1st pf.	1.18¾	Oct. 2	Sept. 14
Do., 2nd pf.	†1.75	Oct. 2	Sept. 14
Chart. Tr. & Ex., c.	1.00	Oct. 1	Sept. 15
Cen. Can. Loan, c.	2.00	Oct. 2	Sept. 18
Cockshutt Plow	.25	Dec. 1	Nov. 2
Cons. Press, A	.15	Oct. 2	Sept. 15
Consumers' Gas	2.00	Oct. 2	Sept. 15
Com. Alcohols	.05	Oct. 16	Sept. 30
Do., pref.	.10	Oct. 16	Sept. 30
Dairy Corp. of Can.	1.25	Oct. 2	Sept. 15
David & Frere	.25	Sept. 30	Sept. 15
Distillers Corp., pf.	†1.25	Nov. 1	Oct. 14
Dom. Foundries, c.	.35	Oct. 2	Sept. 11
Dom. Textile	1.25	Oct. 12	Sept. 5
Do., pref.	1.75	Oct. 16	Sept. 15
Dom. Envelope, c.	.10	Dec. 1	Nov. 30
Dom. Stores	.10	Sept. 20	Aug. 24
Dom. Glass	1.25	Oct. 16	Sept. 28
Do., pref.	1.75	Oct. 16	Sept. 28
Dom. Tar & Chem.	1⅜%	Nov. 1	Oct. 2
Eastman Kodak	†1.25	Oct. 2	Sept. 5
Do., pref.	†1.50	Oct. 2	Sept. 15
Economic Inv. T., c.	.62½	Oct. 2	Aug. 31
Fraser Co.'s	[illegible]	Oct. 25	Sept. 30
Famous Players	.37½	Sept. 30	Sept. 15
Fanny Farmer	†.37½	Sept. 30	Sept. 11
Foundation Co., c.	.25	Oct. 20	Sept. 30
Freiman, A J p	1.50+1.50	Oct. 2	Sept. 15
Goodyear Tire	.62	Oct. 2	Sept. 15
Do., pf.	.62½	Oct. 2	Sept. 15
Great-W. Life	3.75	Oct. 2	Sept. 20
Great L. Paper	.25	Oct. 2	Sept. 5
Great L. Pwr.	1.75	Oct. 16	Sept. 30
Gatineau Power	.20	Oct. 1	Sept. 1
Do., 5% pref.	1.25	Sept. 30	Sept. 1
Do., 5½% pref.	1.37	Sept. 30	Sept. 1
Greening Wire	.15	Oct. 2	Sept. 1
Great W. S.	.75	Sept. 30	Aug. 30
Do., 2nd pref.	.75	Sept. 30	Aug. 30
Hinde & Dauch	.25	Oct. 2	Sept. 5
Hollinger Cons.	.10	Sept. 30	Sept. 2
Humber. Shoe, c.	1.00	Oct. 2	Sept. 15
Hur. & Erie	1%	Oct. 2	Sept. 15
Imp. Tob.	.10	Sept. 30	Aug. 15
Do., pf.	3%	Sept. 30	Aug. 15
Ind. Accept.	1.25	Sept. 30	Aug. 31
Int. Power	1.75	Oct. 2	Sept. 9
Invest Found., pfd.	.75	Oct. 15	Sept. 15
Int. Nickel, c.	†.40	Sept. 30	Aug. 31
Int. Bronze	.30	Oct. 15	Sept. 15
Do., pref.	.37½	Oct. 15	Sept. 15
Inter. City Baking	.75	Sept. 30	Sept. 14
Int. Metal Ind.	.30	Oct. 2	Sept. 12
Do., pref.	1.50	Nov. 1	Oct. 10
Jam. Pub. Serv.	.17	Oct. 2	Aug. 31
Do., pref.	1.75	Oct. 2	Aug. 31
Kelvinator of Can.	▪1.00	Sept. 25	Sept. 15
Kirk. Lake	.02	Oct. 31	Sept. 29
Land. Banking, c.	1.00	Oct. 2	Sept. 15
Lang, J. A., c.	.17½	Oct. 2	Sept. 11
Lamaque Gold	.07	Oct. 2	Aug. 31
Maritime Tel. & T.	.17½	Oct. 16	Sept. 20
Do., pref.	.17½	Oct. 16	Sept. 20
Montreal Tele.	*.48	Oct. 16	Sept. 15
Moore Corp.	.55½	Oct. 2	Sept. 7
Do., pref.	†1.75	Oct. 2	Sept. 7
Marcus Loew's	1.75	Sept. 30	Sept. 15
Modern Containers	.30	Oct. 2	Sept. 20
Do., pref.	1.37½	Oct. 2	Sept. 20
Murphy Paint	.20	Oct. 2	Sept. 15
Do., pref.	1.37½	Oct. 2	Sept. 15
Natl. Bisc.	†.30	Oct. 14	Sept. 8
Natl. Trust	2.00	Oct. 2	Sept. 15
Natl. Brew.	.50	Oct. 2	Sept. 8
Do., pref.	.44	Oct. 2	Sept. 8
New Method	▴1.62½	Sept. 18	Sept. 8
Niagara W. W. c.	.25	Oct. 2	Sept. 7
Nor. Ont.	.06	Oct. 25	Sept. 30
Do., pref.	1.50	Oct. 25	Sept. 30
Natl. Grocers	.37½	Oct. 2	Sept. 9
Natl. Steel Car	.25	Oct. 15	Sept. 15
North Star	.08¾+▴.35	Oct. 2	Sept. 9
Nova Scotia	1.25	Oct. 2	Sept. 15
Ont. Loan & Deb.	1.25	Oct. 2	Sept. 15
Orange Crush	.70+▴1.05	Nov. 1	Sept. 30
Ogilvie Flour	.25	Oct. 2	Aug. 25
Ottawa Elect.	.50	Oct. 2	Sept. 1
Ottawa Car	.20	Oct. 15	Sept. 15
Ottawa L. H. & P.	.15	Oct. 2	Aug. 4
Do., pref.	1.25	Oct. 2	Aug. 4
Page-Hersey, c.	1.25	Oct. 2	Sept. 15
Perron Gold	.02	Sept. 30	Aug. 31
Power Corp., pf.	1.50▪	Oct. 16	Sept. 20
Do., 2 part pf.	.75▪	Oct. 16	Sept. 20
Preston E. Dome	.05	Oct. 14	Sept. 15
Regent Knit.	.25	Oct. 16	Sept. 15
Do., pref.	.40	Dec. 1	Nov. 2
Rem. Rand, c.	†.20	Oct. 1	Sept. 12
Do., pf.	†1.12½	Oct. 1	Sept. 12
Riverside S. (A)	.50	Oct. 2	Sept. 15
Robertson, P. L.	.50	Oct. 2	Sept. 20
Do., pref.	.62½	Oct. 2	Sept. 20
Russell Ind.	▪.30	Sept. 30	Sept. 15
Do., pref.	▪1.75	Sept. 30	Sept. 15
Sheep Creek	.03	Oct. 14	Sept. 30
Silverwoods	.20	Oct. 2	Aug. 31
Do., pref.	.20	Oct. 2	Aug. 31
Stuart, D. A., pf.	1.50	Oct. 16	Sept. 20
Sher. Wms.	.15	Nov. 1	Oct. 10
Do., pref.	1.75	Oct. 2	Sept. 10
Simon, H.	.15	Sept. 28	Sept. 2
Do., pref.	1.75	Sept. 28	Sept. 2
Smith Howard	1.50	Oct. 2	Sept. 20
Standard Radio A, B	.10	Oct. 10	Sept. 21
Stedman Bros.	.25	Oct. 2	Sept. 20
Do., pref.	.75	Oct. 2	Sept. 20
Sun Life	3.25	Oct. 2	Sept. 15
Sylvanite	.03	Oct. 16	Aug. 19
Standard Fuel	1+2	Oct. 1	Sept. 15
Tamblyn, G.	.20	Oct. 2	Sept. 8
Do., pref.	.62½	Oct. 2	Sept. 8
Tor. Gen. Trust, c.	1.00	Oct. 2	Sept. 8
Teck-Hughes, c.	.05	Oct. 2	Aug. 31
Tip Top Tlrs.	.07½	Oct. 1	Sept. 1
Do., pref.	1.75	Oct. 1	Sept. 1
Tooke Bros., c.	.25	Oct. 3	Sept. 15
Tor. Mortgage	1.25	Oct. 2	Sept. 15
United Corp.	.37	Nov. 15	Oct. 14
United Fuel Inv. pf.	.75	Oct. 2	Sept. 9
Viau, pref.	1.25	Oct. 2	Sept. 20
Weston, Geo., c.	.20	Oct. 2	Sept. 5
Western Grocers	.75	Oct. 15	Sept. 15
Do., pref.	1.75	Oct. 15	Sept. 15
Wood Mfg.	.50	Sept. 30	Aug. 31
Wilsils	.25	Oct. 2	Sept. 1
Winnipeg Elect., p.	▪2.50	Dec. 30	Nov. 15
Wright-Harg.	.06½	Oct. 1	Aug. 24

▪Subject to approval of Foreign Exchange Control Board.
†N. Y. funds. ▴Arrears.
*Net after corporate income tax.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

NOTICE OF DIVIDEND NO. 34

Notice is hereby given that a Quarterly Dividend of three cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 14th day of October, 1944, to shareholders of record at the close of business on the 30th day of September, 1944.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 30th September next.

By Order of the Board.

JAMES ANDERSON,
Secretary.

Vancouver, B.C.,
September 8, 1944.

Company Reports

Blue Ribbon Corp.

Sales of merchandise increased for Blue Ribbon Corp. the year ended June 30, 1944, but J. Ball, president, reports percentage of profit was down due to increased costs of most raw materials and maintenance of ceiling prices. A $116,630 decline in operating profit was offset by lower depreciation and tax changes, consolidated net profit being $12,830 higher.

While rationing of most major lines continued, rationing of tea and coffee was relaxed May 1, but not in time to show much improvement during the fiscal year. It is expected that increased quantity allowed for consumption should help considerably in the future.

Special reserve against decline in inventory values was increased $29,000 to $104,000.

CONS. INCOME ACCOUNT

Years Ended June 30:	1944	1943
Oper. profit	$357,545	$474,175
Less: Deprec.	66,097	87,197
Res. re invent.	29,000	
Income tax res.▴	145,552	282,912
Net profit	116,896	104,066
Less: Pref. divds.	74,625	74,625
Surplus for year	42,271	29,441
▴Incl. ref. E.P.T.	9,375	36,105
Earnings per Share and Dividend Record:		
Pref.: Excl. E.P.T.†	$3.92	$3.49
Incl. ref. E.P.T.†	4.23	4.70
Paid	2.50	2.50
Com.: Excl. E.P.T.	0.45	0.32
Incl. ref. E.P.T.	0.55	0.70
None paid.		

†Before participating feature.

CONDENSED CONS. BALANCE SHEET

As at June 30:	1944	1943
Cash & Dom. bds.	$177,736	$270,772
Accts. rec.	533,779	477,717
Inventories	1,648,735	1,412,648
Total curr assets	2,360,250	2,161,137
Misc. assets▴	127,274	114,955
Fixed assets*	1,358,257	1,418,703
Total assets	3,845,781	3,694,795
Bank loan	682,530	402,530
Accts. & tax. pay.	318,361	488,676
Total curr. liab.	1,000,891	891,206
Other liabs.	53,914	62,779
Capital stock	2,331,567	2,331,567
Surplus‡	459,409	409,243
*After depr. of	960,234	903,307
▴Incl. refund. E.P.T.	45,480	36,105
‡Incl. refund. E.P.T.	43,999	36,105
Working capital	1,359,359	1,269,931

Canada Packers

Highlights of the annual report of Canada Packers for the year ended Mar. 30, 1944, are as follows:

A 22% increase in sales to an all-time high of $206.2 millions.

Earnings equal to $6.74 a share (or $8.44 a share including refundable taxes) compared with $8.06 a year previously.

A proposal to subdivide shares, giving for each common share, two class "A" participating dividend shares bearing a cumulative $1.50 preferred dividend and four class "B" shares, latter to receive up to $1.50 noncumulative dividend per annum after $1.50 paid on "A" shares, the two issues then participating equally.

A further increase in inventory reserve by $500,000 to $3,419,000, to provide for possible inventory losses.

Commenting on the year's operations, President J. S. McLean states that dollar sales were three times as high and weight of products sold was twice that of the last pre-war year. On the basis of percentage of sales, net profit of four fifths of 1% was the smallest in history except for 1932. Total net profit itself, however, due to large sales, was the second highest in the company's history after including refundable taxes.

CONS. INCOME ACCOUNT

Years Ended:	Mar. 30 1944	Mar. 25 1943
Net earnings	$5,911,681	$4,575,616
Less: Deprec.	927,030	844,777
Bond int.	13,840	32,652
Invests., etc., w/o		
Inc. & other taxes*	3,623,224	2,086,769
Net profit	1,347,587	1,611,418
Less: Com. divds.	800,000	800,000
Surplus for year	547,587	811,418
*Inc. ref. T.P.T.	340,000	
Earnings per Share and Dividend Record:		
Com.: Ex. ref. EPT	$6.74	$8.06
Incl. ref. EPT	8.44	8.06
Paid	4.00	4.00

CONDENSED BALANCE SHEET AS AT

	Mar. 30 1944	Mar. 25 1943
Cash	$48,639	$29,295
Accts. rec.	9,685,073	11,807,207
Investments	†3,156,817	†136,287
C. s. v. life insur.	514,396	481,898
Inventories	17,179,168	10,757,943
Total curr. assets	30,584,093	23,212,630
Misc. assets	672,852	421,758
Fixed assets	23,263,769	23,085,097
Total assets	54,520,714	46,719,485
Bank loan	12,464,541	9,275,362
Accts. & tax. pay.	8,372,970	4,859,304
Other curr. liab.	200,000	206,785
Total curr. liab.	21,037,511	14,341,451
Funds in trust	372,404	320,167
Funded debt		750,000
Dep. reserve	14,724,569	13,867,247
Appraisals surp.	5,675,536	5,617,483
Capital stock	1,438,284	1,438,284
Surplus	11,272,440	10,384,853
† At less than market value.		
Working capital	9,546,582	8,871,179

National Steel Car

Although production of railway equipment was on a large scale, net earnings of National Steel Car Corp. dropped $160,878 to $3,236,450 the year ended June 30, 1944 and net profit was approximately $30,000 lower at $788,627.

Capital stock was altered during the year, stockholders receiving four shares of common for one old and net earnings on that basis totalled $1.12 per share, or $1.61 a share including refundable tax.

The company manufactures a range of war products, including shell forgings, anti-aircraft gun mounts, pressings for six-pounder and Bofors guns, light alloy and steel drop forgings for aircraft, gun cotton and cordite cars.

INCOME ACCOUNT

Years Ended June 30:	1944	1943
Net earnings	$3,236,450	$3,397,328
Less: Depr. & amort.	232,823	932,046
Income tax res.▴	2,215,000	1,646,309
Net profit	788,627	818,973
Less: Divds.	702,000	614,250
Surplus for year	86,627	204,723
▴Incl. refund. E.P.T.	340,000	220,000
Earnings per Share & Dividend Record:		
Earned	$1.12	†$4.67
Incl. ref. E.P.T.	1.61	†5.98
Paid	1.00	†2.50+1

†Before capital split of 4 shares for 1.

CONDENSED BALANCE SHEET

As at June 30:	1944	1943
Cash & Dom. bds.*	$9,764,169	$6,352,993
Accts. rec.	1,615,873	1,378,786
Inventories‡	1,041,184	1,779,656
Total curr. assets	12,421,226	9,511,435
Prepd. exps.▴	587,982	277,566
Fixed assets	8,361,839	9,328,103
Total assets	21,371,047	18,117,104
Bank loan	1,261,500	
Accts. & tax. pay.	3,236,882	2,202,370
Divd. pay.	175,500	175,500
Other curr. liab.	298,481	......
Total curr. liab.	4,972,363	2,377,870
Deprec. res.	5,862,532	5,629,709
Capital stock	5,092,500	5,092,500
Surplus▴	5,443,652	5,017,025
*Mark. val. of bonds	7,854,076	5,088,619
▴Incl. refund. E.P.T.	560,000	220,000
‡After prog. payts.	215,000	359,000
Working capital	7,448,863	7,133,565

Lake Shore

A drop from an average of 928 tons of ore milled daily to 733 tons daily reflected a continued shortage of labor and resulted in earnings of Lake Shore Mines falling from 96 cents to 76 cents per share the year ended June 30, 1944. Underground development was curtailed, being chiefly confined to lower levels and for the most part to the main veins.

A. L. Blomfield, managing director, reports that a considerable part of the unstoped ore is represented by pillars, a large part of which has already burst. It is thought that this ore can be mined slowly and at not too excessive a cost. The immediate picture, Mr. Blomfield states, would indicate a daily production of not over 1,200 tons, though there are many known breaks as yet unexplored that may influence future tonnage.

Income Account

Yrs. ended June 30:	1944	1943
Bullion prod.	$4,498,530	$5,540,131
Less: Oper. exps.	2,224,239	2,625,567
Oper. earnings	2,274,291	2,914,564
Add: Other inc.	39,274	32,020
Net earnings	2,313,565	2,946,584
Less: Tax prov.	628,159	824,179
Depreciation	163,429	204,222
Net profit	1,521,977	1,918,183
Less: Dividends	1,600,000	1,600,000
Surplus for year	*78,023	318,183
*Deficit.		
Earnings per share	$0.76	$0.96
Paid	0.80	0.80

Condensed Balance Sheet

As at June 30:	1944	1943
Cash & bullion	$3,705,680	$3,701,929
Govt. & mun. bds.	936,456	787,018
Accts. rec.	1,610	1,803
War contracts	17,055	145,873
Mat. & supplies	465,473	502,699
Total curr. assets	5,126,274	5,139,322
Prep. & def. chgs.	51,086	136,597
Mining co. shs.	308,406	300,000
Ins. reserve, etc.	381,476	382,566
Props. & devel.	1	1
Plant & equip.*	197,192	340,317
Total assets	6,064,435	6,298,803
Accts. & chgs. pay.	204,433	257,438
Prov. for taxes	375,000	475,000
Total curr. liab.	579,433	732,438
Ins. reserve, etc.	381,476	382,566
Capital stock	2,000,000	2,000,000
Surplus	3,103,526	3,183,799
*After depr. of	7,442,666	7,305,839
Working capital	4,546,841	4,406,884

Note:—No provision made for any liability in connection with claims of Northern Ontario Power Co. now subject to appeal.

OPERATING STATISTICS

	1944	1943
Tons milled	267,698	338,810
Grade	$16.80	$16.35
Unstoped ore, ft.	17,122	16,925
Grade, oz.	0.575	0.575
Aver. width, in.	58	57

Bowater's Nfld.

Insufficient supplies of pulpwood curtailed operations of newsprint and sulphite mills and reduced net revenue $390,857 to $2,127,347 for Bowater's Newfoundland Pulp and Paper Mills for the year ended Dec. 31, 1943.

Smaller fixed charges on funded debt modified final net profit to $248,355 as against $436,246 in 1942. J. C. Fitzgerald, secretary, reports that ceiling price for standard newsprint in United States was raised from $54 per ton to $58 per ton in September, but only partially compensated for increased operating costs.

The $10,080,000 of 5% preference shares were converted into common during the year and common shares outstanding were increased from 800,000 to 3,000,000 during the year, 120,000 common shares being issued as a bonus. A total of $582,000 earned surplus was distributed to shareholders in the form of the bonus. During the year the company also charged to earned surplus the balance, $948,919, of bond discount and expenses.

Former restrictions of the Newfoundland Government, obligating the company to hold in reserve out of profits $2,500,000 before any dividends could be paid on common shares, were lifted.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1943	1942
Net revenue	$2,127,347	$2,518,204
Less: Depr. & depl.	847,803	884,170
1st mtge. bd. int.	509,768	511,929
Debent. int.	521,421	669,479
Bd. disc. & exp.	......	16,380
Net profit	248,355	436,246
Less: Pref. divds.	......	464,880
Surplus for year	248,355	*28,634
*Deficit.		
Times Fixed Charges Earned:		
Before depr. & depl.	2.06	2.10
After depr. & depl.	1.24	1.36
Earns. per Share & Divd. Record:		
Com.: Earned	0.08	d0.04
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1943	1942
Cash	$21,968	$129,118
Accts. rec.	4,068,888	4,457,890
Inventories	5,752,981	6,038,005
Total curr. assets	9,843,837	10,625,013
Misc. assets	428,318	1,242,657
Fixed assets	46,626,707	46,779,417
Total assets	56,898,862	58,647,087
Bank loan	373,049	2,125,000
Accts., etc., pay.	1,737,671	1,994,210
Total curr. liab.	2,110,720	4,119,210
Funded debt	26,739,285	26,923,250
Deprec. res.	8,360,000	7,640,000
Other reserve	1,919,498	1,885,239
Other liabs.	582,694	192,160
Capital stock	14,550,000	13,968,000
Surplus	2,636,665	3,919,228
Working capital	7,733,117	6,505,803

Power Corp.

Gross revenue from all sources increased $12,429 to $1,644,142 for Power Corp. of Canada in the year ended June 30, 1944. Operating costs showed little variation and with a slight reduction in debenture interest final net profit was $34,591 higher at $780,100. Earnings amounted to $15.60 per share on first preferred, as against $14.91 in 1943, while second preferred earned $4.80 against $4.46 per share and common 40 cents, compared to 33 cents per share.

Surplus forward increased $109,223 reflecting prior year adjustments of $18,395, profit on securities of $163,049, surplus for the year and reduction in common dividend, and after allowing transfer of $163,049 to special reserve. Reduction in the common dividend was necessary pending clarification of company's tax position.

Sales of electrical merchandise and appliances through stores of affiliates and associated companies were well maintained, considering scarcity of products. Postwar sales of these various electrical articles appears very promising, it is stated.

In his report to shareholders, President A. J. Nesbitt reviews the activities of subsidiary and affiliated companies, noting that these companies showed an increase of only 1¾% in kilowatt hour output. There was also an increase of 8,849 in the number of customers served by these companies.

INCOME ACCOUNT

Years Ended June 30:	1944	1943
Net earnings	$1,407,862	$1,369,842
Less: Deb. int.*	461,762	480,333
Pension fund	10,000	10,000
Inc. tax res.	156,000	134,000
Net profit	780,100	745,509
Less: 1st pref. div.	300,000	300,000
2nd pref. div.	300,000	300,000
Common div.	89,273	133,909
Surplus for year	90,827	11,600
*Including exchange.		
Times Deb. Int. Earned	3.05	2.85
Earns. per Share & Divd. Record:		
1st pref.: Earned	$15.60	$14.91
Paid	6.00	6.00
2nd pref.: Earned	4.80	4.46
Paid	3.00	3.00
Com.: Earned	0.40	0.33
Paid	0.20	0.30

CONDENSED BALANCE SHEET

As at June 30:	1944	1943
Cash	$588,086	$618,978
Accts., etc.	186,727	198,887
Total curr. assets	774,813	817,865
Invests.†: Misc.	8..914,488	9,410,596
Sub. & affil. cos.	15,430,132	15,571,280
Loans, less res.	2,509,337	2,664,737
Furn. & fixtures	11,056	11,480
Deferred exp.	8,323	6,709
Total assets	27,648,149	27,482,267
Total curr. liabs.	900,041	635,901
Funded debt	9,064,500	9,267,600
Capital stock	15,012,720	15,012,720
Special reserve	488,800	493,181
Surplus	2,182,088	2,072,865
†Total mkt. val.	21,653,228	22,162,991
Working capital	▴125,228	181,964

▴Excess of current liabilities over current assets.

DIVIDEND NOTICES

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED payable October 2nd, 1944, to Shareholders of record at close of business September 15th, 1944.

W. S. BARBER,
Secretary-Treasurer.

Dairy Corporation of Canada Limited

Preferred Dividend No. 4

Notice is hereby given that the regular dividend of one dollar and twenty-five cents ($1.25) per share has been declared on the Preferred Shares of the Company payable October 1st, 1944, to shareholders of record September 15th, 1944.

By Order of the Board.

J. A. CAULDER,
President and General Manager.

Toronto, Sept. 8th, 1944.

The Ontario Loan & Debenture Company

229th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 30th September, 1944, has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 2nd October, 1944, to Shareholders of record at the close of business on the 15th September, 1944.

By Order of the Board.

T. H. MAIN, Manager.

London, Ontario,
6th September, 1944.

The Murphy Paint Company Limited

The following quarterly dividends have been declared by the Board of Directors payable on 1st October, 1944, to shareholders of record at the close of business on 15th September, 1944.

Preferred Stock—1⅜% (being at the rate of 5½% per annum).

Common Stock — Twenty cents (0.20) per share on the No Par Value shares.

P. L. TOD, Secretary.

Montreal, 31st August, 1944.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 65

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending September 30th, 1944, payable by cheque dated October 14th, 1944, to shareholders as of record at the close of business on September 30th, 1944. Such cheques will be mailed on October 14th, 1944, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE,
Secretary.

Vancouver, B.C.
September 1st, 1944.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: MONTREAL
Stock Transfer Department

Notice is hereby given that a dividend of three dollars twenty-five cents ($3.25) per share on the capital stock of the Company has been declared for the quarter ending September 30th, 1944, and will be paid on October 1st, 1944, to shareholders of record at the close of business September 15th, 1944.

The stock transfer books of the Company will be closed from September 16th to September 30th, both dates inclusive, for preparation of the above dividend.

By Order of the Board.

F. J. CUNNINGHAM,
Secretary.

DIVIDEND NOTICES

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 300

Notice is hereby given that a dividend at the rate of ten per cent per annum on the paid-up Capital Stock of the Bank has been declared for the month ending October 31st, 1944, to shareholders of record of October 16th, 1944, and that the same will be payable on and after Wednesday, the first day of November next, at any of the offices of the Bank in Canada.

By order of the Board,

H. D. BURNS,
General Manager.

Halifax, N.S., September 12th, 1944.

Chartered Trust and Executor Company

DIVIDEND

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of the Company for the quarter ending September 30th, 1944, payable October 1st, 1944, to shareholders of record at the close of business September 15th, 1944.

By Order of the Board,

E. W. McNEILL,
Secretary.

Dated at Toronto,
June 29th, 1944.

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that the one hundred and thirty-third quarterly dividend of one and three-quarters percent. (1¾%), being at the rate of seven percent. (7%) per annum for the quarter ending August 31, 1944, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 10th day of September, 1944, and that cheques will be mailed October 2, 1944.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
September 1, 1944.

THE Calgary & Edmonton Corporation Limited

Notice is hereby given that a dividend of five cents per share was declared 25th August, 1944, payable 16th October, 1944, to shareholders of record at the close of business on the 9th day of September, 1944.

Payment of the said dividend has been approved by the Foreign Exchange Control Board.

The Transfer Books of the Corporation will be closed from the close of business on the 9th day of September, 1944, to the opening of business on the 20th day of September, 1944.

BY ORDER OF THE BOARD.

C. E. REECE,
SECRETARY.

Dated at Winnipeg, Man., this 5th day of September, 1944.

DIVIDEND NOTICES

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the Current Quarter, and that the same will be payable on and after

2nd October, 1944,

to shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

7th September, 1944.

Kirkland Lake Gold Mining Company, Limited

(No Personal Liability)

DIVIDEND NO. 20

A semi-annual Dividend of two cents per share on the outstanding capital stock of the Company has been declared payable October 31, 1944, to shareholders of record September 29, 1944.

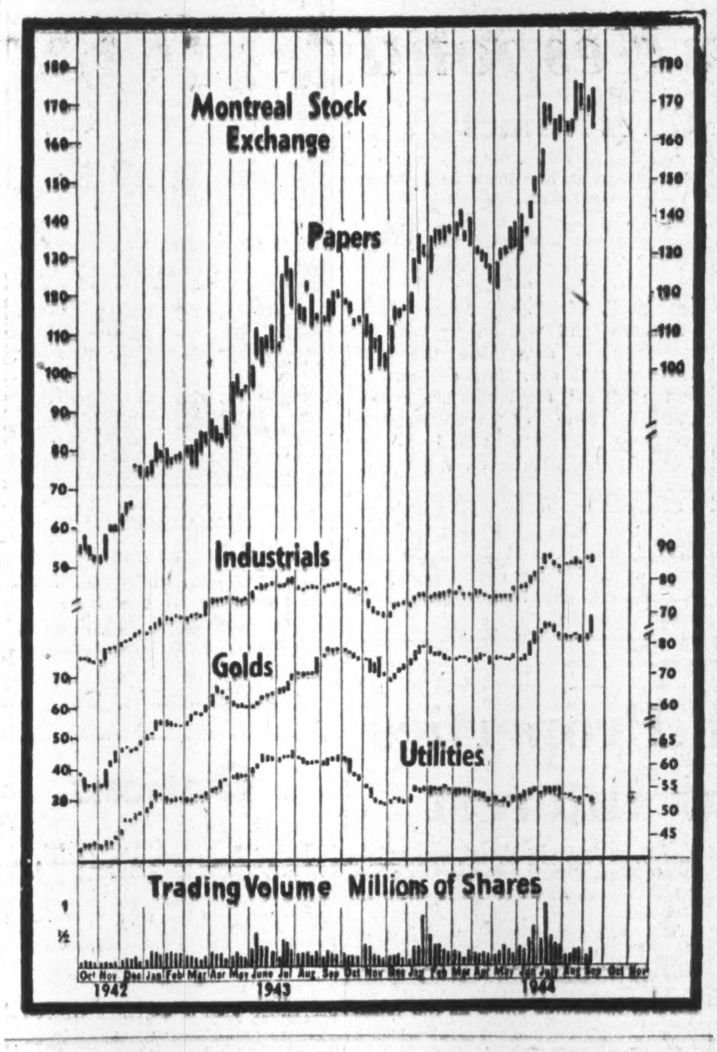
Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board.

H. F. CASSIDY,
Secretary-Treasurer.

September 8th, 1944.

WANTED:
Confederation Life
Manufacturers Life
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101



MARKET COMMENT

Reorientation

The Montreal paper index, which closed high at 171.88 in the week preceding Labor Day, dropped from an opening high of 173.60 to 163.07 in the week ended Sept. 11 and closed slightly above the low for the week. Golds, which had risen to 89.04 by Friday, closed at the week's low of 83.34. Industrials lost some ground during the week, opening at the week's high of 87.5 and closing only slightly above the week's low of 85.3.

This generally soft tone was reflected in a larger than average number of new lows. Some of these were among the newly issued $10 par bank stocks, reflecting rather narrow fluctuations, but more were caused by declining "war" issues. New highs were centred among "peace" issues, indicating a gradual reorientation of the market.

* * *

Barron's (New York) The Trader: Sharpest decline in stocks in ten months occurred last Wednesday. Following the triple holiday, distinct weakness had developed in the last hour of trading Tuesday, which continued unrelieved into the Wednesday session. Then, in the last hour, stocks were suddenly pressed for sale in heavy volume, with the industrials and rails finally ending the session with the greatest daily losses since Nov. 8, 1943. On Thursday a calmer atmosphere prevailed; although the industrials again yielded substantially, the railroads scored a modest recovery. By the end of the week the Dow-Jones industrial-share average was down to 143.31, for a loss of 3.85 points, the worst decline since the approximate five-point break the third week of July.

Another "peace scare," initiated by the overwhelmingly favorable European war developments and by disclosure of the demobilization program of the Army, was unquestionably the explanation of the sudden market setback.

* * *

Barron's (New York) The Dow Theorist: By falling to new lows for the decline which began the second week of July, the Dow-Jones industrial and railroad averages have signaled, under the tenets of the Dow theory, that they are in a secondary decline.

A secondary decline is generally defined as one lasting from three weeks to several months and retracing roughly one third to two thirds of the preceding major leg of a bull market. Thus the averages could fall to about 136.50 for the industrials and 35.00 for the rails without going outside those defined limits. In addition, however, it must be remembered that the stock market can never be an exact study, and that some secondary movements have gone further.

* * *

New Highs and Lows

During the week ended Sept. 11, 33 new highs were recorded among general stocks traded on Canadian exchanges, with peace issues stressed. The 10 new lows included six bank stocks. Mining stocks showed seven new highs, six new lows in the week. Oil stocks hit no new peaks, while Commonwealth Pete, Pacific Oils and Vermilata all showed new lows for 1944.

GENERAL

New Highs—1944

Amalgamated Elec.
Bk. Can. Nat. new
Bk. Montreal, new
Con. Perm. Mtge.
Con. Canners
Cons. Press
Dom. Bank, new
Equitable Life
Famous Players
Genl. Prod., pf.
Goodyear Tire
Gt. W. Saddlery, c.
Do., pref.
Harding Carpet, c.
Humberstone Shoe
Imperial Varnish, c.
Int. Bronze, pf.
Int. Metal Ind., pf.
Int. Paints, pf.
Int. Utilities, new
Maple Leaf Mill, p.
Mont. Refrig., c.
Moore Corp., c.
Mount Royal Hotel
North Star Oil, c.
Ogilvie Flour, c.
Ottawa L. & P., pf.
Penmans, c.
Sherwin Wms.
Simon & Son, c.
Tamblyn, c.
Traders Fin., p. (A)
Western Breweries

New Lows—1944

Bk. of Mont., new
Bk. of N. S., new
Bk. of Toronto, new
Brazilian Trac.
Br. American Oil
Can. Northern Pr. p
Can. Bk. of Com.
Can. Cement, pf.
Imperial Bank, new
Royal Bank

MINING

New Highs—1944

Cariboo
Cochenour Wns.
Falconbridge
Giant Ykfe.
Madsen Red Lake
Partenan Malartic
Upper Canada

New Lows—1944

Bonetal
Hasaga
McMarmac
O'Leary Malartic
Powell Rouyn
Red Cloud

OILS

New Lows—1944

Commonwealth P.
Pacific Oil
Vermilata

Calgary & Edmonton

Reflecting the fact that more wells drilled under the agreement with Royalite Oil Co. have paid out their drilling costs and revenue from these wells has now been allocated to production returns, Calgary & Edmonton Corp. net profit increased $38,982 in the year ended June 30, 1944. Earnings per share were 14 cents against 12 cents.

L. D. M. Baxter, president, states, that in view of extensive C. & E. holdings in southern Turner Valley the company in association with four others has agreed to pool 5,000 acres with 2,500 acres held by associates, and has also agreed to assist in financing a test of possibilities. During the year the company placed under lease or option 9,971 acres and seven wells were drilled by lessees. Footage drilled on company's property in 1943-44 totalled 73,302 ft. and production from which a royalty is received was 1,715,243 bbl.

INCOME ACCOUNT

Years Ended June 30:	1944	1943
Prod'n revenue	$383,012	$407,602
Add: Invest. inc.	15,869	13,607
Other rev.†	105,684	59,347
Total net rev.	504,565	480,556
Less: Oper. exps.	54,071	55,128
Deprec., etc.	15,055	16,360
Inc. taxes	96,193	108,804
Net profit	339,246	300,264
Less: Distributions	241,510	241,510
Surplus for year	97,736	58,754
Earned per Share	$0.14	$0.12
Paid	0.10	0.10

†Amounts received from wells in excess of drilling costs now recovered in full.

CONDENSED BALANCE SHEET

As at June 30:	1944	1943
Cash & accr. int.	$138,787	$97,140
Royalties rec.	40,757	49,970
Marketable secs.▪	580,591	497,184
Total curr. assets	760,135	644,294
Misc. assets	472	6,741
Development acct.	212,291	223,964
Land & leases	♦	♦
Surf. equip.▴	11,136	20,467
Total assets	993,034	895,466
Accts. pay.	1,483	2,975
Taxes pay.	80,139	78,816
Total curr. liab.	81,622	81,791
Capital	45,292	45,292
Surplus	866,120	768,383
▴After depr. of	57,025	43,894
▪Market value	616,366	504,439

♦Balance sheet places no value on corporation's petroleum and mineral rights.

Working capital	687,513	562,503

PEACE TIME STOCKS

We have prepared a letter on current conditions embracing peacetime situations. Copy mailed on request.

GOODWIN HARRIS & COMPANY
STOCK BROKERS AND BOND DEALERS
MEMBERS: THE TORONTO STOCK EXCHANGE
MONTREAL CURB MARKET AND
CANADIAN COMMODITY EXCHANGE INC.
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Double Stock Tax Removed by Que.

The Province of Quebec will no longer collect a transfer tax on transfers of shares of companies incorporated in Quebec when the transfers are recorded in Ontario, the Revenue Department of the Province of Quebec has announced. This ruling is to be retroactive to June 19, 1944, the date upon which the Province of Ontario made a similar ruling affecting share transfers made in the Province of Quebec when the shares were those of companies incorporated in the Province of Ontario.

This action on the part of the two provinces is a result of representations made to these provinces by the Trust Companies Association. Investors have considered it unreasonable that they should have to pay a transfer tax to both provinces.

National Light & Power Co. has paid the sum of approximately $30,300 to the National Trust Co. as trustee for its Series C first mortgage bonds. The National Trust Co. will receive offerings for sale of the 4½% first mortgage sinking fund Series C bonds of the National Light & Power Co. up to 11 a.m., Sept. 25, 1944. Each offer will be deemed to include accrued interest and to be for the whole or any part of the amount offered at the rate specified in the offer.

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Preston North Claims Respond

Vertical Drilling From 12th Level Gives Values

Two claims of Preston East Dome Mines abutting into the south part of Dome Mines have given important indications of ore at depth in recent diamond drilling below the 12th level and consideration is now being given to sinking a winze below the 12th level for detailed exploration, The Financial Post is informed.

Last year a crosscut was driven 2,200 ft. north at the 12th level for exploration of the two Preston north claims but it was found that the main Preston porphyry mass, on strike, occurs to the west of the claims above the 12th level. On the east dip of the structure, however, the porphyry came back into Preston ground at the 12th level and with a 2,500-ft. east-west "width" to the claims, ample protection was provided for the porphyry zone at depth in these north claims provided the dip does not change.

Porphyry 200 to 250 Ft. Wide

That the north claims could be expected to provide ore bodies was disclosed by a vertical drill hole, No. 1861, put down from the 12th level close to the west boundary. It was drilled to a vertical depth of 650 ft. below the level where the footwall contact of the porphyry zone was intersected indicating a width of 200 to 250 ft. to the porphyry mass. Intersections made in this vertical hole were:

Below level: ft.	Core length ft.	Gold per ton oz.
10	17.0	0.42
70	2.0	0.20
80	5.0	0.08
440	18.0	0.17
530	5.0	0.32
560	7.0	0.07
620	8.0	0.16

Two inclined holes drilled in the same east-west vertical section penetrated the porphyry mass but were not carried through it. They did not return significant values.

Other Holes Click

One of two inclined drill holes put down from the 12th level approximately 100 ft. to the north returned 0.37 oz. gold across 6.3 ft. At 50 ft. further to the north again, a hole returned 0.31 oz. across 4.5 ft. while another hole showed 0.16 oz. over 12.5 ft. and 0.06 oz. over 6 ft. A further 50 ft. to the north again, a hole returned the following values: 0.28 oz. across 6.5 ft.; 0.06 oz. over 9 ft.; 0.09 oz. over 10 ft.; 0.10 over 6 ft.; and 0.49 oz. over 3 ft.

Drilling so far carried out has thus given ore grade values over a length of roughly 200 ft. in this new sector.

Plan Extending Shaft

Preparations for sinking the shaft a further 800 ft. below the 13th level and the continuing manpower shortage have combined to restrict lateral development carried out. New ore opened up in drifting so far this year however, has been as follows:

Ore Lengths Opened

Drift No.:	Ore length ft.	Width	Grade Uncut oz.	Grade Cut oz.
254-255	50	drift	0.11	0.11
517	372	drift	0.42	0.29
554	186	drift	0.39	0.32
652-654	70	drift	0.24	0.21
1063	40	drift	0.30	0.30

Slashing and test holing will be necessary to determine the full width of this ore. The ore bodies on the 5th and 6th levels are in the footwall zone of the Preston porphyry and are stated to be similar to structures on the upper levels.

Crosscutting to the west porphyry zone at the 13th level has now been carried 600 ft. and the zone has been entered with development at this horizon expected to get under way this month.

Elder Drill Shows $11 Over 10 Ft.

Diamond drill hole No. 59 has made an ore intersection, Elder Gold Mines announces, with two five-foot sections averaging $11.55 and $10.39 starting at 367 ft. Average for the 10 ft. is $10.97 or approximately $11.

Taking in drill holes Nos. 56, 57 and 59, a length of 250 ft. is now reported averaging $7.00 over 15 ft. 8 in. Further drilling to the west is planned in virgin ground between hole No. 60 now drilling and the diabase dyke 1,000 ft. away.

MINING

Inco Outside Properties Take on New Interest

An upturn of interest in International Nickel Co. of Canada may possibly result from increased importance of further mines which may be added to those in the immediate Sudbury area.

There are at least four directions in which Inco appears to be interested in possible production of nickel apart from its mines at Sudbury.

With Finland out of the war and the United Nations in agreement on most questions, hopes are high that International Nickel Co. will regain its Petsamo concession in Finland together with the Kaulatunturi mine on which over $6 millions was spent before the first Finno-Russian war.

New Venezuelan Field

Inco is also interested in a new nickel field in Venezuela and recently it was arranged to send three diamond drills from Sudbury to test occurrences in this area. The deposits in Venezuela are reported to be flat-lying and of fairly good grade.

Besides activities in Finland and Venezuela, Nickel has also carried on work in Canada in efforts to find further mines outside of the Sudbury area. One result was the acquisition some time ago of the J. G. Cross nickel claims in the Kenora area where a moderate tonnage of indicated nickel ore is reported. This year the company has been interested in investigating in Canada's northwest with a party engaged in reconnaissance of a new area thought propitious for discovery of nickel deposits. No word has yet been received as to what success this party has enjoyed.

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B.E.A.R. Meet Deferred

Litigation between Bear Exploration and Radium and J. J. Gray pertaining to the proposed amalgamation of B.E.A.R. and its subsidiary, Yellowknife Gold Mines, and related matters, is now expected to come up for next hearing some time in October.

The original special meeting of Bear Exploration and Radium called for March 14, 1944, to ratify amalgamation, has been adjourned on several occasions since — the latest adjournment was on Sept. 6—and a further adjournment to Oct. 11 was decided upon at the last sitting.

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Manterre Gets Going

Manterre Gold Mines — the company which hopes to pick up the extension of the big No. 12 vein of Belleterre Quebec Mines at a vertical depth of 600 ft. on dip—has let a contract for diamond drilling to Inspiration Mining & Development Co. with drilling expected to commence Sept. 15.

A crew is now at work cutting lines and it is planned to make a geological survey in the immediate future with Dr. G. Flaherty in charge. President Denison Denny is at present on the property.

The first diamond drill holes will be put down vertically in the southeast corner of the property near the border with Belleterre in an effort to pick up the indicated extension of the No. 12 vein which is the most prolific source of ore at Belleterre. Over $60,000 cash is reported in the Manterre treasury to finance projected work.

Mills Red Lake plans a minimum of 3,000 ft. of drilling on holdings in Heyson twp., Red Lake area, to test three zones uncovered in recent surface exploration which included trenching, stripping and geological mapping. M. G. Smerchanski, consulting engineer, is in charge of operations.

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Jean Paul Rolland, manager, Rolland Paper Co., Montreal, elected vice-president of the New York-Canadian division, American Pulp and Paper Mill Superintendents' Assoc., at the annual meeting, St. Catharines, Ont.

Options

Audley Gold Mines—By August 18 agreement, Federal Trading & Agency Co. Ltd., purchased 200,000 shares for $10,000 and optioned 1,799,995 shares as follows: 100,000 shares at 5c.; 200,000 at 7c.; 250,000-share blocks at 10, 15, 20 and 30c. a share, with balance at 40 to 80c. payable by Aug. 1, 1945. Authorized capital is three million shares with 1,000,005 outstanding. Qualified Aug. 17, 1944.

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Auvillebon Gold Mines—By Aug. 22 agreement, John F. Wharin optioned 900,000 shares as follows: 300,000 shares at 5c.; 200,000-share blocks at 7½, 10 and 12½c., all payable by June 15, 1945. Authorized capital is three million shares with 1,200,005 shares outstanding. Qualified Aug. 24, 1944.

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Balboa Exploration—By Aug. 24 agreement, Sidney R. Smith agreed to purchase 300,000 shares at 25c., payment for which has already been made, and an option was granted for a further 700,000 shares at 25c. to be taken down 100,000 shares each 30 days. Authorized capital is four million shares with 1,250,005 shares issued. Qualified Aug. 29, 1944.

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Bellegrand Mines—By Aug. 21 agreement, Arrowood Mining Syndicate Ltd. assigned to Arthur Minden on Aug. 22 an option on two million shares as follows: 400,000 shares at 5c.; 200,000-share blocks at 10, 15 and 20c. a share with balance at 25 to 50c a share, the whole to be taken down before expiration of two years. Authorized capital is three million shares with 1,000,005 shares issued. Qualified Aug. 29, 1944.

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Bellezone Mines—By Aug. 21 agreement, Arrowood Mining Syndicate Ltd. received an option on two million shares at 5 to 50c a share, all payable within two years. This option was assigned to Arthur Minden Aug. 22, 1944. Authorized capital is 3,000,000 shares with 1,000,005 shares issued. Qualified Aug. 29, 1944.

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Chieftain Pershing Gold Mines—By July 18 agreement, Federal Trading & Agency Co., Ltd., purchased 250,000 shares for $12,500 and optioned 1,749,995 shares as follows: 50,000 shares at 5c.; 200,000 shares at 7½c.; 250,000-share blocks at 10, 15, 20 and 30c. a share, balance to be taken down at 40 to 80c. a share. Authorized capital is three million shares with 1,000,005 shares issued. Qualified Aug. 17, 1944.

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Dunford Rouyn Mines—By Aug. 14 agreement, M. Corney agreed to purchase 50,000 shares at 10c. payable on approval by the Securities Commission and received an option on 949,997 shares as follows: 150,000 shares at 10c. payable by Nov. 15, 1944; 100,000-share blocks at 12½ and 15½c. a share payable by Mar. 15, 1945 with balance at 17½c. to $1 a share, all payable by Mar. 15, 1946. Authorized capital is three million shares with 1,255,005 shares issued. Qualified Aug. 22, 1944.

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Jeroco Gold Mines—By Aug. 19 agreement, W. D. Latimer & Co. agreed to purchase 50,000 shares at 6c. on or before Sept. 1, 1944 and received option on a further million shares as follows: 200,000 shares at 10c. a share payable by Oct. 1, 1944; 200,000-share blocks at 12½ and 15c. a share payable by Feb. 1, 1945 and 200,000 shares at 20c. payable by April 1, 1945. Authorized capital is three million shares with 1,050,005 shares issued. Qualified Aug. 29, 1944.

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Kimball Porcupine Gold Mines—By Aug. 22 agreement, Gibson M. Todd & Co. agreed to purchase 1,000,000 shares at 5c. a share and received option on 900,000 shares at 5 to 12½c. a share, all to be paid within 18 months. Authorized capital is three million shares with 1,100,005 shares issued. Qualified Aug. 31, 1944.

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Kinojevis River Mines—By Aug. 18 agreement, Airquests Ltd. received an option on 1.5 million shares as follows: 300,000 shares at 5c a share; blocks of 200,000 shares each at 7, 8 and 10c. a share; 100,000-share blocks at 12½, 15, 20, 30, 40 and 60c. a share, payable $5,000 a month, the whole within 2½ years. Authorized capital is 3.5 million shares with 1,200,005 shares issued. Qualified Aug. 23, 1944.

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Manterre Gold Mines—By Aug. 11, 1944 agreement, Berwick Investments Ltd., purchased 125,000 shares at 20c and received an option on a further 1,475,000 shares as follows: 275,000 shares at 20c. a share payable by Feb. 1, 1945; 400,000 shares at 30c., payable by Aug. 1, 1945; 400,000 shares at 40c., payable by Feb. 1, 1946; 400,000 shares at 50c., payable by Aug. 1, 1946. Authorized capital is three million shares with 1,125,006 issued. Qualified Aug. 25, 1944.

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Mate Yellowknife Gold Mines—By Aug. 10 agreement, Herbert L. Robertson agreed to purchase 300,000 shares at 5c and received option on a further 1,200,000 shares being blocks of 200,000 shares each at 7½, 10, 15, 20, 25 and 30c. a share, all payable by Feb. 15, 1946. Authorized capital is three million shares with 1,000,006 issued. Qualified Aug. 17, 1944.

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Northbreak Gold Mines—By Aug. 18 agreement, Airquests Ltd., received an option on 1.5 million shares as follows: 300,000 shares at 5c.; 200,000-share blocks at 7, 8 and 10c. a share, the remaining 600,000 at 12½ to 60c. a share, payable not less than $5,000 monthly commencing one month from approval. Authorized capital is 3.5 million shares with 1,200,005 shares issued. Qualified Aug. 24, 1944.

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Pipestone Narrows Gold Mines—By Aug. 9 agreement, Henry Woodhouse agreed to purchase 100,000 shares at 5c a share, payable upon approval by the Ontario Securities Commission and received an option on a further 500,000 shares being 200,000 at 5c. payable within 90 days; 150,000 shares at 7c. within 200 days; 50,000 at 8 and 100,000 at 9, both payable within 360 days after approval. Upon completion of the above, a further option is given on all or any part of 900,000 shares being blocks of 100,000 shares each at 13, 15, 20, 25, 30, 35 and 40c. a share and 200,000 shares at 45 cents a share, payment for the above to be made $10,000 monthly commencing 30 days after the last payment is made on the above option covering 500,000 shares. Authorized capital is three million shares with 1,000,005 shares issued. Qualified Aug. 17, 1944.

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Porcupine Lake Gold Mining Co.—By Aug. 22 agreement, the Drayton Syndicate received an option on 400,000 shares at 10 cents a share to be paid for on the basis of 15,000 shares within 30 days after consent and 25,000 shares each succeeding 30 days, the payment period not to exceed 12 months. Authorized capital is three million shares with 2,608,873 shares issued. Qualified Aug. 22, 1944.

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Redstone Porcupine Gold Mines—By July 31 agreement, Conella Enterprises Ltd. agreed to purchase 65,000 shares for $2,500 payable five days after consent and received an option on a further million shares at 5 to 20c. a share. Authorized capital is 3.5 million shares with 1,200,005 shares issued. Qualified Aug. 14, 1944.

OIL WELLS THIS WEEK

Drill Further Test Well On T. V. West Flank

From Our Own Correspondent

CALGARY—Marking the first independently-financed drill-test on the central west flank of the Turner Valley oilfield in more than a year, work has been started on location for Pacific Petroleums No. 8, in LSD 14 35-19-3w5. Contractor Newell & Chandler is now rigging up heavy duty rotary, will spud in the immediate future.

The new well is financed by Pacific Petroleums which has so far completed five Turner Valley wells financed by itself and two further wells financed by advances from the Dominion Government's Wartime Oils.

The company's new venture is in an area featured in recent months by a string of successful completions by Royalite Oil Co. and Wartime Oils, and now the most active centre of drilling in the Turner Valley area. Three quarters of a mile due north of the Pacific 8 site is the Royalite 74 producer, which produced 8,707 bbls. in July, with a total yield of 45,421 bbls. in its six months on flow.

Half a mile due north is Royalite 75 which produced 7,560 bbls. in 15 days in July, its initial month, and now has a quota of 500 bbls. daily, largest in the field. Three eighths of a mile northeast is Royalite 67, which produced 5,306 bbls in July, and a total of 75,558 bbls. in 17 months.

Three eighths of a mile southeast is Wartime Oils' Calmont 1A, which produced 6,473 bbls. in July, its third month on production, with total to July 31, 19,079 bbls. Five eighths of a mile southeast is Royalite 76, recently completed with a flush yield after acid of better than 100 bbls. hourly, and now waiting quota, expected to be between 350 and 375 bbls. daily.

Pacific Petroleums has under lease the west half of Section 35-19-3w5, bordering on the Calmont 1A and Royalite 76 wells. Pacific's resumption of independently-financed drilling, with initial new well in the northeast corner of its lease block, is a follow-up of the successes to the east and north of the lease.

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N.W.T. Crude Output

Canada's North West Territories produced 111,124 bbls. of crude oil during June, 1944, raising production for the first half of this year to 569,784 bbls., the Dominion Bureau of Statistics reported this week. This yield compares with only 17,402 bbls. in June, 1943, and a total of only 89,929 bbls. in the first half of 1943. Production in May, 1944, was 104,774 bbls. and in April, 1944, totalled 114,857 bbls. This production is from the Norman Wells field, along the MacKenzie River just south of the Arctic circle, discovered by Imperial Oil back in 1919, and developed during the past two years by Imperial under the United States Army's Canol Project.

Norman Wells commenced delivering oil to the Canol pipeline early this spring, and first deliveries to the Canol refinery at Whitehorse (550 miles distant) commenced in May. Deliveries are understood to be running between 3,500 and 4,000 bbls. daily, with the pipeline operating at capacity. Norman Wells now has over 50 wells producing, with productive potential believed to be around double the current pipeline runs.

The Norman Wells field now ranks as the second largest producing field in Canada, its production of over 3,700 bbls. per day comparing with a current yield of about 23,000 bbls. per day in the field, Turner Valley, and around 1,400 bbls. per day for the other oil areas currently producing in Alberta.

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Urge Subsidies Again?

The Alberta Petroleum Association will probably again urge on the Dominion Oil Controller the initiation of subsidy payments on Alberta oil. The question of subsidies was discussed with the controller by the APA as far back as April, 1941, but, since no subsidies were then being paid in U. S. fields, the Controller could not see his way clear to initiate a subsidy policy in Canada. Since then, the U. S. picture has changed.

To encourage continued operations of "stripper wells"—small producers—the U. S. Government has authorized payment of substantial subsidies on oil produced in various oil fields throughout that nation. Latest such authorization covers several fields in Montana immediately south of Alberta. Effective on runs from Aug. 1, the U. S. will pay a subsidy of 35c. per bbl. on oil produced from the Kevin-Sunburst, Red Coulee, Cat Creek, Elk Basin (Frontier sands), Pondera and Sweetgrass Hills area, and a subsidy of 25c. per bbl. on Reagin Nose oil.

Commenting on the Montana subsidies, the Alberta Petroleum Association reports: "Now that our nearest competitive field in Montana is being assisted . . . it is quite possible directors of the APA will call a meeting to discuss the question of taking up the matter further with the Oil Controller, in an endeavor to get a similar increase here. An increase in Alberta would justify the operation of quite a number of small wells, not at present operating because of their low daily production."

Rocamsa Mines is carrying out surface exploration, under direction of Dr. M. H. Frohberg, on its 15 claims owned outright and 9 claims held under option, Lebel twp., Kirkland Lake area. A total of 610,005 shares was issued for properties and $25,005 cash, while 1,700,000 shares are optioned to Macassa at 20c. to 75c. per share from Feb. 1, 1945, to Aug. 1, 1947.

Starlight Mines reports spotting No. 2 hole some 700 ft. north of the recently completed No. 1. The new hole, at this date, is reported down 60 ft. in overburden.

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Jasper Porcupine Gold Mines has reached a depth of 400 ft. in No. 1 drill hole on a contemplated 10,000-ft. program. P. A. Kindree, managing director, reports that Delnite has acquired another 160 acres adjoining Jasper, while Noranda is said to have secured a group of nine claims tying on to the Jasper holdings. Noranda, according to Kindree, is drilling near the Jasper boundary.

Val D'Bell Mines completed drill hole No. 5 at 451 ft. and the company has sent out samples for assay.

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Yellowknife Rocks Carry $ Sign

Geological Data Shows Favorable Areas – Giant Still Expands

By GORDON M. GRANT

When Giant Yellowknife Gold Mines is mentioned these days, it is usually almost with awe at the rich drill intersections made in gold-bearing shears; at the apparent likelihood that one of Canada's greatest gold mines is being gradually unfolded; or at the immense increase in Canada's indicated gold wealth the rise in Giant Yellowknife shares already suggests.

But there is another side to the Giant Yellowknife picture—indeed to the picture of all Yellowknife—which is just as gripping, just as significant, in its way.

It is the story told by the rocks in Yellowknife. It starts with the main feature of the country, the West Bay fault, shown on an accompanying map.

Ground Moved Five Miles

Yellowknife was originally cut by a diabase dyke striking roughly southwest-northeast in a more or less straight line. Some plutonic forces originating possibly in the general area of Great Slave Lake (of which Yellowknife Bay is a part) or possibly slightly southward, caused a certain portion of ground to move northward. The movement may have taken 100,000 years or so but move the ground undoubtedly did. This brought formation of the West Bay fault. The movement on the east side of this fault is deemed to be about five miles north because, as may be seen on the map, the original diabase dyke spoken of, is now fragmented with a throw of five miles northward on the east side of the West Bay fault.

This huge movement naturally did not go without considerable dislocations within the mass of ground displaced. It is within this ground that is found a belt of volcanic greenstones which, submitted to the same dislocations, afforded "openings" now tested by drill holes. The openings are termed shear zones.

Other Shears Seen Likely

These shear zones have a strike of slightly east of north. By visual examination of aerial photographs made by the Government 10 or 12 years ago, the features of the ground thus revealed tend to show that there is a likelihood of repetitions of the shear zones all along the greenstone belt.

Strange as it may seem, geological inference suggested a gold mine on the Giant Yellowknife ground long before the first drill holes carrying ore grade values were pulled. The Con mine of Consolidated Smelters, with its high grade but relatively narrow veins, is located immediately on the west side of the West Bay fault in the favorable greenstones. With Con approximately five miles south of the Giant Yellowknife property—on the east side of the fault—it is deemed that Giant gold deposition reflects the northward shift of gold values formerly in the locale of the Con mine. While character of gold deposition at Giant is different than at the Con, the geologists have an explanation for that.

With geological inference suggesting the Giant Yellowknife property as highly potential for discovery of ore bodies and a surface discovery made by W. J. Cameron, drill testing was a "natural" for the Giant ground.

Favor Greenstones Now

Reflecting Giant's success in establishing gold values in a number of wide shear zones, activity in the Yellowknife area is now chiefly concentrated in the greenstones belt. However, there are hot and cold sediments to the east which, in future years, may prove themselves favorable for discovery of mines. Consolidated Smelters Ptarmigan mine is located within such an area.

Granite formation on the west side of the West Bay fault has not been probed sufficiently to establish its possibilities, if any, but it may happen, as has been found in other instances, that the very edge of it contacting sediments or greenstones may prove host to some mineral deposition.

North of Yellowknife is a huge area of sediments which extends far over to Gordon Lake to the northeast. As testing of the main Yellowknife area proceeds, it is expected that exploration will spread out east and north rather than west.

Giant Sets Mart Pace

In recent weeks, Giant Yellowknife has displayed a notable, almost surprising, influence over the Toronto mining market; when Giant shares have been strong a better tone to the mining market generally has been noted; when Giant shares have been weak the market has shown listlessness. Consequently, developments in the immediate Giant Yellowknife picture are being regarded with more than ordinary interest.

Equipment is now being taken in to permit the sinking of a shaft as soon as regulations are relaxed to permit this and needed manpower can be secured. Initial power is expected to be supplied by Consolidated Smelters but an application has or will be made for development of power on the Lockhart River about 200 miles to the east. There is a drop of 700 ft. in a distance of about 12 miles on this river which flows from Artillery Lake to Great Slave Lake and by judicious location of retaining dams the flow of water can be efficiently utilized. Drainage basin is relatively large.

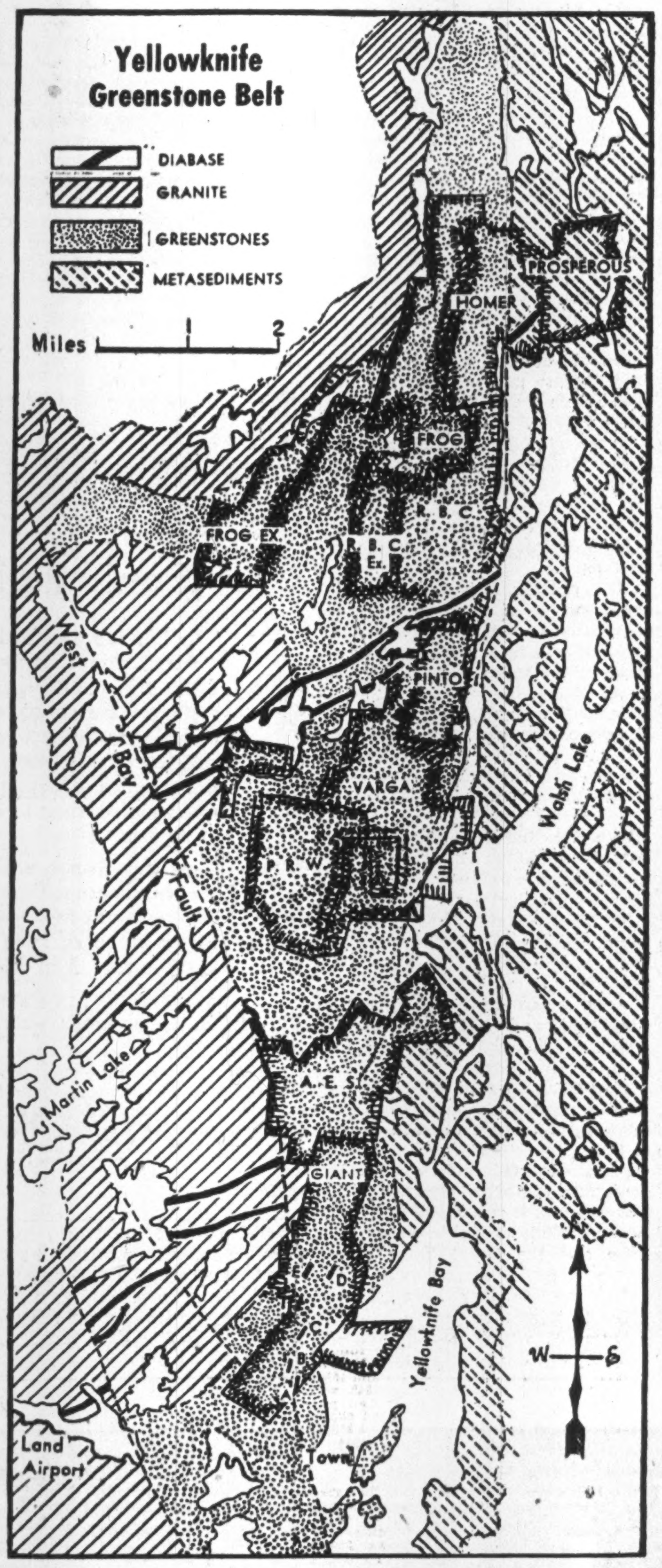
Other Shears Promising

Besides the south, east and west zones which have been the most productive of ore indications at the Giant property, the swamp zone—3,200 ft. north of the east zone—and the W. J. T. shear 2,400 ft. farther northeast are other shears under investigation. One drill is working on each of these shears with one hole on the swamp zone returning $7 to $8 values for 140 ft. An important width of shearing has been noted for each of these zones but assays are available for insufficient holes to assess tonnage possibilities.

Surface Only Scratched

Despite the great area over which testing is being carried on, little more than a third of the length of the Giant Yellowknife property has yet had drill-testing of shears. And shortage of men and equipment has held back any large scale testing of the great stretch of favorable ground held by Frobisher Exploration Co. to the north covering the greenstone belt.

Geology is receiving particular attention, however, with a special study of Giant geology being conducted by Dr. A. S. Dadson, the Giant's consulting geologist, while a Frobisher party in the field is investigating geology under the supervision of N. H. C. Fraser who has had great experience in the Yellowknife district and was the discoverer of the Fraser vein of Thompson Lundmark Gold Mines.



This is the north part of the area which has been creating so much excitement in Yellowknife with the greenstone band in the middle the immediate section of greatest interest. Holdings marked are the Giant Yellowknife property and those of Frobisher Exploration Co. On the Giant are indicated — A — the approximate location of the great South and East gold-bearing shears — B — the West zone — C — the Swamp zone where drilling is now being done as well as the W.J.T. shear marked D. The Ole showing is indicated by E.

Mining Concentrates

Aubelle Mines reports that further diamond drilling will be necessary to extend and explore two occurrences uncovered through a recent surface exploration program. Work is reported to have discovered a north-south vein in the western section and trenching showed a width of 10 ft. over a length of 200 ft. when overburden stopped work. A similar quartz vein was reported uncovered to the east. No. 20 hole is now drilling to further test the No. 19 hole showing.

* * *

Belrosa Mines is undertaking a program of surface exploration and diamond drilling on its property of 30 claims Lebel twp., Kirkland Lake area. Macassa has taken, and Sylvanite gold Mines has a 50% interest in, options on 1,700,000 shares at 20c. to 75c. per share from Feb. 1, 1945 to Aug. 1, 1947. The company issued 760,005 shares for property and $25,005 cash.

* * *

Blondor Quebec Mines states that diamond drilling has started under the direction of J. P. Norrie, general manager, with first objective the testing of high-grade vein showings at depth. It is reported that recently five samples from three new veins yielded values from $4.25 to $9.26. Two of the new veins are located 400 and 800 ft. south of original high-grade vein system. Sufficient funds are reported available to complete present plans.

* * *

Goldora Mines in testing the extension of the Obaska Lake ore zone has cut a belt in mineralized schist carrying quartz stringers in its No. 3 hole. Several gold assays were returned with the best section reported yielding $10.29 across 2 ft. Further sampling is in progress to see if an ore shoot is indicated. The core from No. 4 hole, pointed in the opposite direction to probe favorable structure in the same zone, is being logged and sampled. The company and East Sullivan are jointly drilling the northwest boundary of the property.

* * *

Kamlac Gold Mines has completed seven holes on the Aye group in the Yellowknife area, according to F. V. C. Hewett, president. Work to date has not intersected ore, but a large portion of the property still remains to be drill tested. First two holes drilled on the Aye group near the Giant property failed to intersect ore, but officials are spotting No. 8 hole to the east, opinion being expressed that the fault has shifted the Cameron shear to the east. The Aye and Kam groups are under option to Consolidated Mining & Smelting Co.

* * *

West Malartic Mines is reported to have indicated new ore in surface drilling with a core intersection of $9.28 over a true width of 30 ft. reported. Surface drilling is being done in heretofore unexplored ground about 500 ft. southeast of mine workings.

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Position of Chartered Banks of Canada as of July 31, 1944, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Government	Advances from Bank of Canada secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other Banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	8,588,240	166,880,152	23,852,734	....	446,428,360	547,976,575	148,772,511	2,284,095	12,813,180	18,395,707	....
Nova Scotia	3,271,762	39,936,025	1,780,905	....	115,883,999	193,316,575	95,408,564	4,481,032	1,544,244	4,703,785	....
Toronto	1,118,748	28,419,444	2,652,415	....	84,601,684	134,025,259	311,629	77,379	953,401	903,199	....
Provinciale	941,772	5,540,762	307,066	....	20,312,456	68,488,248	20,276	....	....	35,737	....
Commerce	7,311,307	81,109,451	20,497,503	....	374,650,172	431,274,692	107,082,097	3,192,940	7,379,779	10,129,453	....
Royal	9,839,660	119,891,771	26,566,167	....	517,360,044	478,546,251	366,634,286	4,111	5,620,440	28,178,914	....
Dominion	1,308,190	25,675,205	1,361,997	....	88,491,879	109,238,062	8,833,758	1,752,695	720,171	597,169	....
Nationale	1,731,177	16,925,216	1,020,994	....	66,470,194	168,460,264	616,602	1,389,954	43,210	863,824	....
Imperial	1,489,002	32,653,453	31,646,472	....	98,636,955	126,163,097	5,018,199	1,758,423	1,209,560	1,459,823	....
Barclays	447,000	4,721,367	4,999	....	6,103,714	7,037,983	5,226,725	137,531	2,758,873	1,223,806	....
Total	36,046,873	521,752,786	110,691,252	....	1,818,939,457	2,264,527,106	737,934,747	15,078,160	33,042,858	66,491,417	....

NAME OF BANK	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
							SUPPLEMENTARY INFORMATION					
	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	19,258,501	2,849,773	551,419	39,000,000	36,000,000	1,473,651,251	50,000,000	36,000,000	6	450,170	166,923,856	8,709,940
Nova Scotia	26,526,695	291,966	13,436	24,000,000	12,000,000	523,158,993	15,000,000	12,000,000	10	1,844,383	36,803,000	3,331,887
Toronto	1,854,978	....	151,806	12,000,000	6,000,000	274,069,947	10,000,000	6,000,000	10	699,018	32,442,563	1,135,253
Provinciale	148,166	5,005	3,782	1,000,000	4,000,000	100,813,276	5,000,000	4,000,000	5	67,300	7,778,453	980,240
Commerce	22,858,940	....	468,301	20,000,000	30,000,000	1,115,954,640	50,000,000	30,000,000	6	876,092	98,466,675	7,459,437
Royal	37,823,682	1,742,754	577,687	20,000,000	35,000,000	1,647,785,981	50,000,000	35,000,000	6	647,338	118,612,128	9,900,447
Dominion	4,846,123	695,078	140,401	7,000,000	7,000,000	257,660,739	10,000,000	7,000,000	8	1,017,203	25,166,753	1,341,116
Nationale	475,372	74,523	111,038	5,000,000	7,000,000	270,182,372	10,000,000	7,000,000	6	118,076	24,029,621	1,813,937
Imperial	2,584,171	....	141,055	8,000,000	7,000,000	317,760,217	10,000,000	7,000,000	8	784,858	30,326,411	1,514,548
Barclays	1,214,448	15,358	....	750,000	1,500,000	31,141,748	1,500,000	1,500,000	....	6,977	3,036,881	465,940
Total	117,591,076	5,674,457	2,158,925	136,750,000	145,500,000	6,012,179,164	211,500,000	145,500,000	....	6,511,415	543,586,341	36,652,745

▲Of this amount $53,122,245 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,905,784	17,343	27,723,585	142,308,112	165,485	1,217,149	47,569,270	2,620	7,299,123	33,071,401	505,246,899	266,452,421	21,540,146
Nova Scotia	574,506	1,033,352	11,484,659	21,603,206	46,703	29,612,168	16,169,995	....	12,881,041	23,682,305	108,596,223	100,167,794	7,908,561
Toronto	443,844	....	6,156,292	26,305,383	13,475	183,722	12,218,286	....	289,069	3,494,059	74,670,928	83,034,707	1,148,009
Provinciale	449,431	....	3,436,549	4,839,348	34,240	112,987	3,229,099	11,311	34,257	2,197,303	28,422,580	24,409,077	10,259,894
Commerce†	1,535,225	197,022	21,341,242	78,342,192	85,092	8,469,822	29,221,316	475	5,243,201	27,941,911	333,483,473	232,879,627	4,246,313
Royal	1,797,995	1,638,888	31,110,537	84,112,028	217,499	81,612,638	72,272,907	227	11,070,304	57,858,858	500,674,851	273,746,294	17,130,569
Dominion	462,291	329	4,120,610	18,178,852	34,620	269,944	8,524,110	....	1,493,259	6,876,216	78,372,790	56,558,423	832,004
Nationale	905,700	....	9,149,088	13,763,614	33,420	212,131	10,602,665	1,480,932	120,673	1,967,471	87,682,572	66,235,357	11,197,052
Imperial	521,832	....	7,220,966	23,279,687	35,010	237,390	12,029,910	690,605	885,714	12,112,688	95,994,642	74,548,467	6,834,209
Barclays	10,878	....	114,112	2,152,321	410	7,460	581,734	250,989	1,799,452	6,158,436	6,140,322	7,994,988	1,000
Total	8,607,486	2,886,934	121,857,640	414,884,743	665,955	121,935,411	212,419,292	2,437,160	41,116,093	175,360,648	1,819,285,280	1,186,027,155	81,097,757

NAME OF BANK	Public sec. other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets ▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	79,516,692	19,675,016	7,610,688	32,474,253	230,425,337	8,250,560	1,039,301	7,784,703	227,402	28,317	278,240	13,400,000	481,554	1,810,790	1,476,70,762
Nova Scotia	8,612,560	6,797,631	9,000,814	2,640,457	114,432,962	14,293,171	538,580	779,804	166,201	....	64,103	5,111,198	203,035	2,313,589	525,241,325
Toronto	....	5,045,728	2,983,046	....	51,962,483	....	....	2,403,276	16,307	....	5,291	2,681,624	64,935	209,352	275,184,802
Provinciale	....	1,060,384	5,208,156	....	14,606,541	....	12,964	363,281	18,931	256,493	207,835	2,022,928	64,253	77,875	101,483,893
Commerce†	53,139,678	11,600,278	12,041,461	20,433,589	214,299,539	16,224,411	1,080,698	6,021,412	585,525	1,410,237	460,823	13,164,838	500,000	4,553,248	1,121,361,663
Royal	83,331,030	23,754,673	15,378,575	41,546,318	215,418,792	71,544,803	1,483,882	8,820,281	651,438	1,247,577	583,733	12,347,455	625,000	3,800,619	1,651,601,469
Dominion	1,612,043	1,874,081	1,316,372	4,049,063	62,994,158	143,771	607,959	205,019	16,600	9,527	43,152	4,996,760	100,221	200,858	258,739,148
Nationale	576,492	3,901,505	5,144,568	....	46,916,565	....	591,690	4,075,816	44,936	756,779	743,967	4,494,725	105,657	297,524	271,476,283
Imperial	....	1,159,340	4,398,729	....	69,378,205	....	14,308	2,568,866	12,063	....	8,025	5,124,722	90,953	67,076	319,797,587
Barclays	72,000	....	267,100	....	3,678,395	....	....	....	115	....	....	702,492	24,352	9,034	31,150,046
Total	226,860,495	74,868,636	63,349,509	101,143,680	1,024,112,977	110,456,716	5,369,382	33,022,458	1,739,518	3,708,930	2,395,169	64,046,742	2,259,960	13,339,965	6,032,846,878

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $117,591,076 letters of credit outstanding as shown in liabilities.

LONDON CALLING—BY ADELPHI

Rehabilitation of Europe's Royalty Major Problem For F.D.R., Winston

LONDON (by cable)—One of the thousand pressing problems that Roosevelt and Churchill will have to discuss is the matter of kings in Europe. Perhaps first in importance is King George of Greece who came to London last week from Cairo for what was described as a purely personal visit. He is a man of fine character and personality, but the charge is made that before the war he permitted a Fascist dictatorship in his country just as King Victor did in Italy. Greeks are sharply divided for and against him and his return to the throne is as difficult as it is doubtful.

Poor little King Peter of Yugoslavia and his bride are still in London. I saw them last week going into a cinema to see a film in which Spencer Tracy as a good German makes his escape from concentration camp. It is one thing to get out of a country but it is also a problem how to get back. King Peter's enemies seem to forget the boy king's gallant action when he refused to allow Regent Prince Paul to sell Yugoslavia's honor to the Germans.

Then there is King Michael of Rumania who became pro-British at one minute to 12 and finally there is King Leopold of Belgium who refused to leave his country and has been a prisoner of the Germans ever since—a strong tide is running against him, too. Like ghosts, the Hapsburgs keep their watch but they belong to the past and the road back is blocked to them.

As contrast to all this, you have the Dutch throne where apparently loyalty to Queen Wilhemina was never altered in the slightest. Finally, the British throne is stronger in the affections of the people than ever before. There need be no dissension about that.

It is hard for those of us who have never been invaded and occupied by the enemy to understand the mood of Europe. In France we are seeing expression of it where the enemy is treated with firmness but with chivalry whereas French collaborators are being shot out of hand or subjected to furious ridicule and mob cruelty. Over it all broods the tragedy of Poland. The sad drama of Europe has not yet run its course.

• • •

Air Commuter

We hear so often of spectacular ocean flights that the subject has almost ceased to hold any romance. Yet I must confess that the return of Princess Juliana to this country provided a startling picture of the travel age which is ahead of us.

Last Thursday afternoon I was chatting in London with a Dutch officer in the RAF whose friendship I have enjoyed for the last couple of years. He has been acting as Netherlands liaison officer to the RAF Transport Command. I asked him to dine with me on Saturday evening but he warned me that he might be a little late as he was going out of town almost at once.

On that condition, the dinner engagement was made. Instead of being late, he was back in London in the early afternoon of Saturday. Here were his movements in the interval of 45 hours since we had parted on Thursday: He flew out to Canada in company with Air Marshal Breadner and some other high ranking officers. The machine was a Liberator and it made a non-stop 19-hour flight to Ottawa. The purpose of my friend's visit was to offer the air transportation facilities of the RAF to H.R.H. Princess Juliana. This is how he described his timetable: "By being late on Thursday that gave a full working day in London. On Friday I had nine hours in Canada to clear up a lot of work in which I visited both Ottawa and Montreal. On Saturday afternoon I was back at my desk in London having sacrificed Saturday morning."

In other words he was 36 hours in the air and nine hours in Canada having been away from London exactly two nights and roughly a day and a half. He accompanied the Princess on the return flight.

The World of Flight

My friend, who was a high official in the KLM Dutch airlines before the war, told me that such flights, which of course are open now only to high priority passengers, are operated either by the RAF Transport Command, the U. S. Air Transport Command or the U. S. Naval Air Transport Services, the three giants who are spreading their wings over the face of the globe.

Working with the service personnel are staffs of civilian companies who have practically all been mobilized for war and are setting the pattern for the postwar period. He would not express any opinion as to whether the British were ready or likely to be ready for the new age. He is a Dutchman and a diplomat.

• • •

War-End Psychology

As I indicated last week London is in curious mood. In a few days the worst of the blackout is to go as we return to normal summer time. This is a blessing which should have been conferred on the nation months ago.

The Home Guard, too, has been given its honorable discharge except in the London area and one or two other places where they must be available for special service. They were a tough and efficient band of veterans who would have given an invading enemy a very rough time. But for the last year it has been irksome to keep on parading and training when by no stretch of imagination could there have been a German invasion. Yet many of the members of the Home Guard will miss the companionship even if drills were a burden.

Finally, fire watchers are to be given complete release in daytime and much reduced duties at night. As far as refugees from London are concerned, the Government is having almost as much trouble as when the flying bomb started. Two months ago, harassed and worn out the ministers were working day and night to get mothers and children out of the Metropolis. Every London M.P. was being bombarded with urgent requests from his constituents.

Now, evacuees are coming back. In spite of the Government's plea that they should remain where they are, 40,000 of them arrived yesterday at various London stations, crowding the trains to suffocation but bearing their own discomfort with good humor.

There are still a few people who sleep in underground and tube stations, perhaps because they have no place else to sleep or else they like the companionship of it.

In the restaurants which were almost empty during bombing and where head waiters thanked you for your patronage, you now have to book tables hours ahead. Theatres which were closed are rushing new productions as fast as they can be rehearsed and every theatre is sold out.

It is perhaps the strangest period of the war. We feel that the end of the war is certain and not far off and yet the skies are filled with bombers on their way to pound the enemy and yesterday when people were going to church in tre evening they could hear guns in the Channel.

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To end on a happier note: I find that businessmen of Britain are sanely optimistic about the future. On every hand there is a realization that the world is under-supplied and that there should be years of decent prosperity ahead. If industry and capital will recognize their social responsibility and if politicians will recede to their proper place, we may yet bring a brave new world out of the shadows.

Seek Servicemen To Sell Machines

Optimism expressed in the business machines industry about postwar markets appears to be no mere whistling in the dark. Perhaps the most tangible comes from Addressograph-Multigraph Corp. in Cleveland.

Full-page "help wanted" advertisements are being placed by the company in army periodicals and overseas editions of home publications, such as Newsweek and Time, advising servicemen that applications will be considered now for 200 new positions on the company's postwar sales staff in branch offices throughout the U. S. and abroad.

It would appear business machine producers are, far from being worried about mere reinstatement of enlisted or transferred employees, lining up additional personnel as well.

Build As Soon As Nazis Fall

Edmonton Plans to Spend $5 Millions for School, Paving Program

From Our Own Correspondent

EDMONTON.—The city plans to spend at least $17 millions on postwar construction, it was announced last week, with $5 millions being spent on a five-year "pay as you go" program immediately after the war with Germany is ended. It is felt that with the reserves already built up and the revenues which can be expected in the next few years, the proposed program of general works can be undertaken on a pay as you go basis.

Edmonton has only 63 miles of paved streets, less than any other city in Canada in proportion to population. So $2.5 millions is to be spent to pave 30 miles of arterial and semi-arterial highways. Another $2.5 millions will go for new schools, school equipment and improvements.

New City Hall

Other "contemplated" construction includes a new city hall, $900,000; a new market building, $150,000; new grandstand at the fair grounds, $225,000; two public comfort stations, $50,000; extension to the generating capacity of the power plant, $1,250,000; street railway extensions and improvements, $1,500,000; improvements to city light and power distribution system, $1,300,000; extension to waterworks distribution, $715,000; extensions to the telephone system, $527,000; walks and crossings, $225,000; bridges and subways, $500,000; sewage and drainage, $1,100,000; moving water intake upstream on the Saskatchewan river, $1,000,000.

Need Max Ball Says MacNicol

Cruising M.P. Prepares Blast for House on McMurray Tar Sands

From Our Own Correspondent

EDMONTON. — The Dominion Government's tar sands policy is due for new discussion at the next session of the House when J. R. MacNicol, Prog.-Con., Toronto-Davenport, gets started on it. Long an apostle of northern development, Mr. MacNicol is just back from a 5,000-mile inspection trip of northern Alberta, the Yukon and Mackenzie River areas. He was much impressed with what can be done there, but expressed himself as "disgusted" with what has been done in the McMurray oil sands.

Doesn't Like Inaction

In May, 1942, Abasand Oils Ltd., pioneers in developing the McMurray oil sands, was reorganized with the Canadian Government financing and controlling the new organization. Max Ball, one of the recognized authorities and experts on the oil sands, was replaced as president of the company. The Dominion Government announced it was spending several hundred thousand dollars developing the sands, but so far nothing much has been accomplished.

Hon. W. A. Fallow, Alberta's minister of public works, has declared the Dominion policy at McMurray was "deliberate sabotage" and now Mr. MacNicol says he is going to have plenty to tell the Commons about what's been going on there.

"The quicker Max Ball and his associates are restored to continue operations at Fort McMurray, the better it will be for the country in general," the M.P. declared here last week.

He continued: "Had Max Ball and his associates been left in charge, and had they been supported by the Government by less than half of what has been spent, incomparably greater progress would have been made. Indeed, I believe their progress would have been so marked a pipeline to a refinery could have been well under way."

Mr. MacNicol also plans to recommend that the Dominion Government buy every bit of American equipment it can lay its hands on. The Americans have equipped the Athabaska and Mackenzie Rivers with fast, powerful tugs and big steel scows. These, plus loading equipment, should be purchased by the Government, he said, instead of allowing it to be sent back to the U. S.

If Imperial Oil could obtain this equipment through the Dominion Government, it could ship oil from Norman Wells to points along Milk Lake and the Great Slave Lake, where it could be transported by a pipeline via Hay River, Peace River to Edmonton.

Air mail, freight and passenger service to the north must be speeded up and the whole transportation system cheapened, he declared. With proper development of the oil, the oil sands and gold mining, "the results on the whole country's economy can hardly be visualized," he said.

Adian Commences Drill Program

Diamond drilling is now under way at the property of Adian Gold Mines, Asquith twp., area, Ont., The Financial Post is informed. The Adian property is only four townships removed from the Laroma find in Midlothian twp., and the green carbonate zones on the two properties are reported similar in character.

Initial contract covers 5,000 ft. of drilling with work under the direction of Chas. L. Coleman, engineer. Finances are being provided by the Connell-Webster interests for present work.

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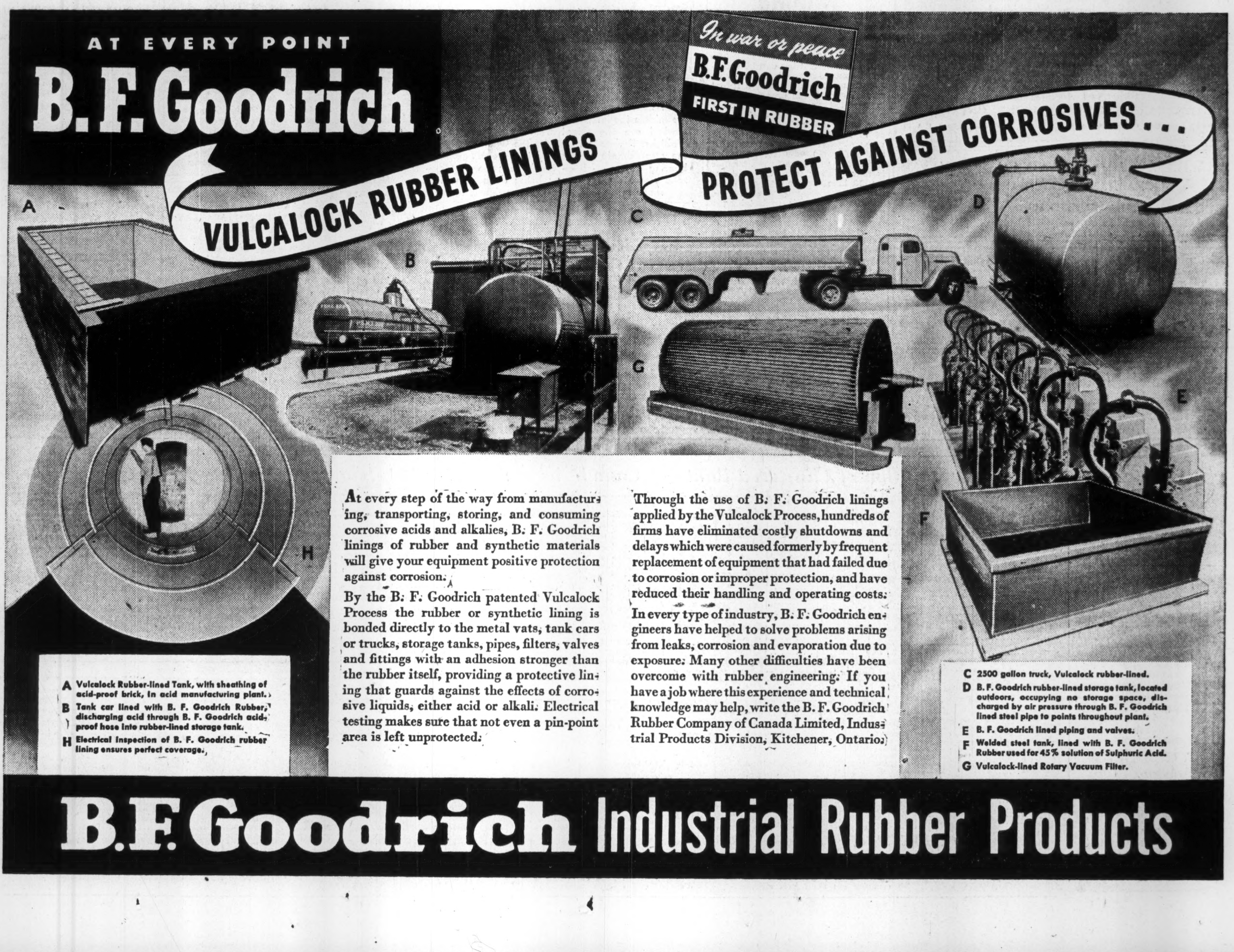

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